

INFLUENCES
OF
THE CORN LAWS,
AS AFFECTING
ALL CLASSES OF THE COMMUNITY,
AND PARTICULARLY
THE LANDED INTERESTS.

BY
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SECOND EDITION.

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INTRODUCTION.

IN offering the following remarks to the public, on a subject which at the present moment deservedly attracts so much attention and excites so much interest, I am fully aware of the difficulties by which it is surrounded, which have been increased in no small degree by the determined and often violent spirit in which all parties have conducted their arguments; and, in consequence of which, society may be said to be now divided into two great sections, having equally, deeply-rooted and extravagant prejudices on this important question.

Disclaiming any participation or fellowship with the popular views on either side, uninfluenced by any private or party considerations, prompted only by a desire to arrive at a just and true view of so important a question as the supply of the first necessities of life must ever be, I have approached the subject without reference to the generally existing opinions, and carefully endeavoured to consider it simply on its own merits.

To those, therefore, who are in search of arguments for the purpose of supporting the partial views of either side, which have hitherto prevailed, I can hold out no encouragement to take the trouble of perusing the following pages: they will not there find one single word declaiming the land-owners as selfish, monopolizing law-makers, or the manufacturers as sordid, avaricious beings, grasping at the riches of the great, and treading on the rights of the poor: the subject has already been handled too much in this way.

But to those who know no distinctions in the true interests of different portions of society, who feel and believe that the whole community can only be prosperous in proportion to the prosperity of its different parts, and that all these parts can only derive their individual prosperity from the well-doing of each other; who know no principle by which the operation of a law could benefit one important portion of society, and injure the remaining; or that could injure one important portion, and benefit the remaining,—to such, if a perusal of the following pages prove of any service in reconciling the facts of this subject to these principles, then will my chief object be accomplished.

The subject being essentially an agricultural one,

I have considered it *chiefly* and *particularly* in relation to that class, and *generally* in relation to the manufacturing, mercantile, and other portions of society; and, while I have endeavoured to reconcile into one general policy the best interests of all parties, I have not done so by requiring any compromise whatever at the hands of any one: but, on the contrary, only by sustaining and increasing all our present sources of national wealth and greatness; for on such broad and enlightened principles alone can this great question ever be satisfactorily adjusted.

Dulwich Place, Surrey.

March 1, 1839.

PREFACE

TO THE

SECOND EDITION

IN presenting this edition to the public, the author has taken the opportunity of explaining, in an Appendix, two objections which have been raised to the principles and views contained in this work — first, that the extreme low price at which Continental wheat has sometimes been sold in this market appears incompatible with the estimate given of the charges necessarily incurred in importing it ; and, secondly, that, from the admitted and well-ascertained fact, that the prices of wheat have fluctuated even more in the Continental countries where there are no corn-laws, and on the Continent generally, than in England, the fluctuations here cannot be attributed to the existing corn-laws

As the consideration of these two points adds material strength to the general views of the author on this important subject, he is glad of the

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opportunity afforded of showing still further the mischievous tendency of these laws. In a short time we hope to present to the public a second series of this work, pursuing the consideration to the influences which these laws exercise over the *currency*, the commerce and manufactures, and the moral and physical condition of the country, and the general influence which they exercise over the Continent of Europe.

INFLUENCES

OF THE

CORN LAWS, &c.

NOTWITHSTANDING the immeasurable importance which must necessarily attach to every principle and circumstance which tends to regulate the production and price of the first necessary of life, it is to be feared that no subject has suffered more than that which is proposed to be embraced in the present inquiry, for want of a patient investigation of the real facts connected with it, and the application of such principles, to which a knowledge and due appreciation of such facts must necessarily have led; in place of which, certain opinions and principles have been received and adopted by all parties, and have been tacitly admitted as the foundation of all reasoning on the subject, but which, I believe, I shall be able to show, in the course of the following investigation, to have very little or no foundation in reality, and that the conclusions derived therefrom by all parties must be correspondingly incorrect.

The two great parties with opposed views respecting the laws which regulate the production and supply of corn are, 1st., the landed and agricultural interest generally, who, from the commonly admitted opinions, could

not sustain the present value of their property, pay the public burthens which the wants of the country and the state entail upon them, or maintain with integrity the existing contracts among themselves in the character of leases, &c., or with others, in the character of mortgages, loans, &c., unless the law afforded them a strong protection against the competition of the foreign landed interest, by high and almost prohibitory duties on all foreign agricultural produce :—and, 2ndly, the mercantile, manufacturing, and mechanical interests generally, who, from the same admitted opinions, have been impressed with the belief that, but for this protection extended to the landed interest, the price of the first necessities of life, which must tend considerably to regulate the value of labour, and consequently the cost of their productions, would be greatly reduced from the present rates, and which, in that case, could not fail to exert a most beneficial influence on their different pursuits.

To find two opposing parties so well agreed as to the grounds of their dispute is a very uncommon circumstance : indeed, it would be difficult to say which of the two has been most industrious in circulating and insisting on the same facts in support of their different views and claims. At every agricultural meeting the greatest influence and talent have been exerted to show that, but for this prohibitory protection, and the consequent remunerating prices, the country must soon cease to produce food sufficient for one-half of its population, the value of property would vanish like a dream, the treasury would become an empty name, and famine and bankruptcy be the lot of the nation : while, on the other hand, it has

been insisted that this protection has been the chief cause of almost every difficulty that has clouded our manufacturing prosperity; that to it alone may be ascribed every effort at competition and advance in the manufacturing arts which have been made by our continental neighbours since the peace; that by a removal of this protection the value of food and the price of labour would be reduced one-half, and the demand for it doubled; and it has even been stated that a free trade in corn would produce a saving to the country, by the reduction in prices, equivalent to one-half of our entire taxation. Thus, between these two parties, and on these grounds, equally admitted by both, the question has hitherto been chiefly confined; and the only point to determine has been, whether or not it was justice or good policy to afford the protection required by the one, to the apparent injury of the other.

I have, however, long been convinced that the common opinions, thus generally received and admitted by all parties, have either no foundation at all in truth, or so little, as to exert the most insignificant influence on the subject, and that, consequently, the fears and apprehended dangers on the one hand, and the continued irritating and inflammatory discontent on the other, are equally groundless: but that, nevertheless, the interference of the legislature, with the intention of accomplishing the wishes and objects of the landed interests, has had the most baneful tendencies on all classes of the community, beginning with the wealthiest landowner, and running through every grade and profession of life, down to the meanest labourer; and that the whole are consequently deeply interested in laying aside all party feelings

on this important subject, and undertaking its consideration in a spirit of fairness, having no other desire than to arrive at the truth; as I believe I may safely say, that every interest has in its turn experienced and acknowledged the baneful influence of the present state of the laws, and perhaps none with so much reason as the agricultural interest itself. To collect all the facts connected with this interesting subject, and to combine them in such a way as to show the operation and tendency of the present laws and regulations affecting the price and production of wheat, as proved by the experience of the past, is the object of the following pages.

We cannot too much lament and deprecate the spirit of violence and exaggeration with which this subject has always been approached by each party, which no doubt has been the chief cause why so little of real truth or benefit has resulted from the efforts of either: the arguments on either side have been supported by such absurd and magnified statements of the influences of these prohibitory laws on their separate interests, as only to furnish each other with a good handle to turn the whole argument into ridicule. It therefore appears to be necessary to a just settlement of this great question, that these two parties should be first reconciled to a correct view of the real influences thus exerted over their interests, and the interests of the country at large; to a conviction that the imaginary fears of change on the one hand, and the exaggerated advantages expected on the other hand, are equally without foundation; that there are in reality no differences in the solid interests of either party; and that

individuals, communities, or countries can only be prosperous in proportion to the prosperity of the whole.

To attempt this important object I do not propose to spend much time in abstract reasoning on the subject, which has been nearly exhausted by a succession of able productions from the days of Adam Smith to the present ; but I propose to proceed at once to an examination of the matter practically, as shown by the statistics and historical facts of the operation of the *Corn Laws*, chiefly confining my considerations to the period from 1815 to the present day ; and I will here remark that, throughout this inquiry, I shall have recourse only to the well-authenticated government returns, when they can possibly be applied, and in other cases to the best authorities extant on the subject.

I propose to confine this inquiry chiefly to the period above-mentioned ; first, because during that time the greatest effort has been made by the law to regulate and control the subject : secondly, because during that period we have had uninterrupted peace ; and thirdly, because going further back would lead into many considerations which influenced the prices and production of corn, not necessarily connected with itself, such as long and protracted wars, changes in the value of money, &c., &c.

I shall now proceed by dividing the subject into the following distinct propositions : first, that the present *Corn Laws*, as well as those which existed from 1815 to 1828, have been productive of consequences most prejudicial to all classes of the community, but more especially so to the landed and agricultural interest generally ; in

the course of which I propose to show in what manner they have been injurious to each separate interest, and to the country at large.

Secondly, that the agricultural interest has derived no benefit, but great injury, from the existing laws; and that the fears and apprehensions entertained of the ruinous consequences which would result to this interest by the adoption of a free and liberal policy with respect to the trade in corn are without any foundation; that the value of this property, instead of being depreciated, on the aggregate, would be rather enhanced, and the general interests of the owners most decidedly benefited thereby.

Thirdly, that, while incalculable benefit would arise to the manufacturing interest and the working population generally, in common with all classes of the community, from the adoption of such policy, nothing can be more erroneous than the belief that the price of provisions or labour would on the average be thereby cheapened but that, on the contrary, the tendency would rather be to produce, by a state of general increased prosperity, a higher average rate of each;—and,

Fourthly, a consideration of what change in the present laws would best suit the interests of all parties at this particular time; and an examination of the benefit which would be derived by the establishment of a government institution for the purpose of collecting and furnishing periodically to the agricultural interests all the statistical facts connected with their pursuits, similar to those which the Custom House documents furnish to the mercantile interests.

PROPOSITION THE FIRST.

That the present Corn Laws, as well as those which existed from 1815 to 1828, have been productive of consequences most prejudicial to all classes of the community, but more especially so to the landed and agricultural interest generally, &c. &c.

IN taking a general survey of the history of wheat during the period proposed, from 1815, to this time, the most striking feature is the great inequality and fluctuation of price, the average of some years being double that of others. This feature is not, however, more striking in the great extent to which it exists than it is remarkable at first sight that it should exist at all. Although long habit and experience may have caused us to cease to feel wonder at an event so common, very little consideration will, however, suffice to show that no article of extensive consumption in this country ought to be, from the nature of its production and consumption, so free from fluctuation as wheat. Natural fluctuations in the prices of commodities of any kind can only be the result of great and frequent changes in the relation of the supply of, and demand for, the article; and this may be effected in two ways,—either by a variation in the former or the latter.

It is very plain that the consumption and consequent demand of no article can possibly be so equal as that of

wheat, the chief and first necessary of life. As far as regards the whole of the upper and middle ranks of life, and even a large portion of the lowest orders, the same quantity of wheat would be consumed at all times. The great bulk of the population will eat the same quantity of bread at all times : when it is cheap other articles are cheap in proportion, they therefore eat no more ; when it is dear, it is the last article the consumption of which can be abridged : a thousand articles of comparative luxury will be given up before the first great necessary. There is, no doubt, a portion of the lowest orders which can command bread when cheap, that is obliged to exist more on lower fare, such as potatoes, &c., when it is dear ; but this proportion is extremely small, and smaller now than at any former period of the history of this country.

It has consequently been remarked by many observers on this subject, that, owing to this necessary equality of consumption, the *limits* between surplus and deficiency are not far apart : that surplus stock and lower prices do not, to the same extent as other articles, stimulate increased consumption, and that a deficiency, with higher prices, does not like other articles materially abridge the consumption. It is, therefore, quite plain that inequality of demand cannot be the cause of the fluctuation of price ;*

* It may be said by this reasoning that the very equality of consumption is one of the causes of the extreme prices ; for if, with lower prices, the consumption increased, it would tend to maintain prices, and if, with higher prices, the consumption diminished, it would tend to keep prices down. This is true ; but this is first to suppose that the supply is necessarily fluctuating. It is only an aggravated effect, and not a cause of fluctuation.

for, should any difference have existed in this respect, the consumption must certainly have been largest in years of the greatest cheapness and plenty, and least during the year of the highest prices : it therefore could not be diminished demand which produced the low prices, or increased demand the high prices.

It becomes obvious, therefore, that the inequality must have arisen in the supply ; but at first sight this seems almost impossible. When we consider that a chief cause of an equal supply of any article is an equal and unvarying demand ; that for the supply of this article we are dependent, almost exclusively, on our own home production, with a climate comparatively so equal, and a soil which is not only highly cultivated, but is sufficiently varying in its character, as to be adapted to any little variation of season ; with a greater amount of skill and capital, to avert the consequences which even the slight fluctuation of seasons might produce, than is enjoyed by any other country, or the cultivation of any other article ; —when we consider such a combination of causes to produce supply equal to the demand, we cannot but feel surprised that it should prove so varying as to cause such extreme fluctuations—fluctuations much greater than have been experienced in any of the chief products of our distant colonies, notwithstanding they are subject to the influence of climates and circumstances much less certain, to hurricanes and disasters, to drougths and inundations, and to a train of vicissitudes, natural and political, wholly unknown in the production of wheat.

We are induced to dwell thus minutely on this feature of the subject of our investigation, for we believe it to be the

secret source of the whole mischief of the present system. We therefore think it of the greatest importance to discover the real cause of serious facts so well established, but differing so essentially from that course which all general and admitted principles would have led us to expect. In order to show what these fluctuations really have been, and at the same time to show that they have been regulated by some general and uniform principle, we submit the following table, divided into distinct periods, of rising and falling prices :—showing, first, the quantity of home-grown wheat which has arrived at *Mark Lane*, the chief market in the kingdom ; secondly, the average prices of wheat in the whole kingdom ; thirdly, the quantity of foreign wheat entered for home consumption ; fourthly, the average prices of wheat at *Dantzic* ; and fifthly, the average price of *South Down wool*,—in each of the last twenty-one years :—

FIRST PERIOD.—1817 to 1822.

Increasing Supplies and falling Prices.

Years.	Qrs. of wheat, British and Irish, arrived at Mark Lane.	Average price in Great Bri- tain.	Quarters of Foreign and Colonial wheat and flour entered for consumption in Great Britain.	Average price at Dantzic	Average price of South Down wool.
1817	290,479	94/	1,020,949	75/8	19d.
1818	205,907	83/8	1,593,518	64/7	24
1819	257,951	72/3	122,133	43/9	24
1820	395,889	65/10	34,274	33/3	17
1821	443,803	54/5	2	31/7	14½
1822*	512,152	43/3†	29/1	13

SECOND PERIOD.—1822 to 1829.

Diminishing Supplies and rising Prices.

1822*	512,152	43/3†	29/1	13d.
1823	393,177	51/9	12,137	26/8	14½
1824	348,007	62/	15,777	22/9	12
1825	413,171	66/6	525,231	23/3	16
1826	271,120	56/11	315,892	23/1	10
1827	241,729	56/9	572,733	22/5	9
1828	312,610	60/5	842,050	24/4	9
1829‡	188,150	66/6§	1,364,220	36/10	8

THIRD PERIOD.—1829 to 1835.

Increasing Supplies and falling Prices.

1829‡	188,150	69/6§	1,364,220	36/10	8d.
1830	224,887	64/3	1,701,885	34/3	10
1831	208,329	66/	1,491,631	37/3	12
1832	300,073	58/8	325,435	37/7	18
1833	388,171	52/11	82,346	29/4	16
1834	418,431	46/2	64,653	25/5	17
1835*	468,338	39/4†	28,483	23/	18

FOURTH PERIOD.—1835 to 1839.

Diminishing Supplies and rising Prices.

1835*	468,338	39/4†	28,483	23/	18d.
1836	414,145	48/6	30,554	28/7	19
1837	321,735	55/10	24,619	29/	14
1838	296,500	64/7	*1,653,048	17½

* Maximum Supply.

† Minimum Supply.

‡ Minimum Price.

§ Maximum Price.

* It must be borne in mind that these quantities include the *Colonial Imports*, which in many years constitute by far the greatest portion.

In framing this table we have been desirous first to ascertain the annual supply of home-grown wheat from year to year. In the absence of any knowledge on this important and vital subject, beyond vague report and conjecture, we have, after much consideration, taken the arrivals at Mark Lane, as the most accurate criterion of the progress of cultivation and supply from year to year; not that these quantities bear in themselves any fixed proportion to the whole amount produced, but that they furnish the best index of the general progress of production. Being the chief market in the kingdom, supplying not only by far the largest and the wealthiest population in its own immediate vicinity, but also being the channel through which the surplus produce of one part of the country is sent to another part in want of it, we have selected it as the most satisfactory evidence on this point. In the next place we have shown in what way the average prices for the *whole kingdom* are influenced by the supply from year to year, which, corresponding so accurately with the index of the general supply which we have selected, proves that it is not far wrong. In the third column we have examined the quantities of foreign and colonial wheat and flour cleared for consumption (in each year) in the whole kingdom, in order to show how the great apparent deficiency in some years has been supplied. In the fourth column we have furnished the average price at Dantzic, the chief continental market, in each year of the same period;—and in the sixth column we have furnished the average price of South Down wool, as a criterion of the value of British wools, generally, and which appears to bear some relation to the production of wheat.

In the first years of the period, while the price of wheat was very high, it will be observed that wool was also dear, in relation to its general average price in after years:—but it will be remembered that at that time a considerable duty was paid on the importation of foreign wool, which tended to keep prices higher here; and when that duty was repealed, and the present small duty substituted, the relative value of the article was thereby lowered. It will however be remarked as an interesting fact, that from 1822 to 1829, as the production of wheat gradually fell off and the price advanced, the production of wool appears to have increased, and the price consequently diminished: so that in 1829, when wheat had reached the highest point, wool was at the lowest point; and that, from that period forward, as wheat gradually declined in price, wool gradually advanced.—There can be no doubt that these two subjects have some relation to each other, and that the increased cultivation of wheat from 1829 forward was greatly aided by the reduction of extensive sheep-walks particularly in the southern and western counties, into wheat-fields. It is at the same time evident that the prices and consumption of wool must depend on so many other circumstances, such as the general state of trade, the amount of the supplies from other countries, &c., quite distinct from any relation that it may bear to wheat, that no great practical result can be gathered from this comparison.—It is worthy of observation that, notwithstanding the crisis of 1836-37, and notwithstanding the immensely increased supplies of foreign and colonial wool, the prices have not fallen, while wheat has been rising so rapidly;—which is a cheering evidence of the rapid increase of our consumption of wool since the former period.

With this explanation of this table we will proceed to examine how far the statistical facts which it exhibits will enable us to discover a satisfactory reason for the fluctuations which, we shall hereafter show, are so prejudicial to the interests of all.—In looking at this table, it will be seen that a regular operation of increasing supplies with falling prices, and of diminishing supplies and rising prices, have been going on during the whole four distinguished periods.

The following are the extreme points, between which however the operation is gradual and regular to a wonderful degree:—

	<i>Supply.</i>	<i>Price.</i>
1817 . .	290,479 . .	94 <i>s.</i>
1822 . .	511,162 . .	43 <i>s.</i> 3 <i>d.</i> , a fall of 54 per cent.
1829 . .	188,150 . .	66 <i>s.</i> 6 <i>d.</i> , a rise of 53 ..
1835 . .	468,338 . .	39 <i>s.</i> 4 <i>d.</i> , a fall of 41 ..
1838 . .	296,500 . .	64 <i>s.</i> 7 <i>d.</i> , a rise of 64 ..

We cannot view this table without at once arriving at a conviction that changes so uniform have been brought about by some cause as uniform and unerring as the effects produced, and must at once banish from our mind the commonly-received opinion that the fluctuations of prices are caused by favourable and unfavourable seasons, or any other accidental reason. To suppose this would be to believe that from 1817 to 1822 the seasons were every year rapidly and uniformly improving, and that from that year till 1829 they were as rapidly and uniformly becoming worse, and so on during the whole period. As it is therefore plain that these fluctuations of supply cannot arise from the accidental variations of the seasons (though upon some occasions the natural opera-

tion may be aggravated by this cause), it follows that they must arise from an increased or diminished cultivation, either in the extent of surface or in the amount of capital and labour employed thereon; and we believe the whole cause will be most satisfactorily explained by a consideration of the natural and imperative influence of the Corn Laws which have been in operation during this period.*

From 1810 to 1813 inclusive the average price of wheat for the four years was 106*s.*, being in 1812 as high as 122*s.* 8*d.* per quarter; in 1814 the average fell down to 72*s.* 1*d.*, and in 1815 to 63*s.* 8*d.*:—these reduced prices created so much alarm amongst the agricultural interest, that they procured a parliamentary inquiry in 1814 as a preliminary to some enactment for the purpose of reviving and protecting their sinking interests. The evidence given before this Committee of the House of Peers, by Mr. Arthur Young and several eminent agriculturists, went to show that, in order to retain the cultivation of Great Britain in the extent in which it then was, it would be necessary that the average price of wheat should be 90*s.* to 100*s.* per quarter, barley 40*s.* to 45*s.*, and oats 30*s.* to 35*s.* On this evidence the Corn Laws of 1815 were founded, which entirely prohibited the import of foreign wheat until the aggregate average of the whole country for three months had reached 80*s.* per quarter. The low prices (comparatively for that period) in 1814 and 1815 had the effect of materially discouraging production, and this cause, followed by the unparalleled bad season of 1816, produced the high price of 1817, with which we commence our periods of fluctuations. In this year the average price, for the

* See Note I, at the end.

whole kingdom, of wheat was 94s. This extreme price, supported by a law which was intended and supposed would at least have the effect of preventing wheat from sinking below 80s. per quarter, could not fail to have an important effect in stimulating a general increased production. This was effected in all possible ways. A larger breadth of land in cultivation was diverted to wheat, new lands were called into cultivation moors and morasses were reclaimed, and capital was in every way most lavishly expended to secure the glittering advantages of such high prices. To use the expression of an eminent person of the day, the surface of the land was strewn with guineas to reap wheat. Eighty shillings per quarter was the standard of all calculations, and therefore every piece of ground which could be brought into cultivation to raise wheat at this price was submitted to the plough. At this period a similar process was going forward on the Continent, caused by the high prices which resulted from the extensive supplies to this country in 1817 and 1818.

We cannot, therefore, be surprised that each year succeeding these efforts we should find a rapid increase of supply. J. H. Von Thunen of Tellow, an eminent Continental agriculturist, in a letter addressed to Mr. Jacob, and presented in his report to the *Board of Trade* in 1827, states, "The harvests of 1821, 1822, and 1823 were so abundant, that history scarcely accords the like for a single year, much less for a series of three years; the increased production of the soil by the *application of marl*, combined with the fertility of the seasons, yielded such rich harvests, that the cost of production was much less than in former years."

This increased production and supply could not fail to affect prices materially, and consequently we find that a gradual decline took place, until the whole average price of 1822, with a supply at Mark Lane of 512,152 quarters, was only 43s. 3d. per quarter—less than half the price in 1817, when the supply was only 290,479 quarters. It is extremely worthy of remark that this change was caused only by the competition amongst our own home-growers, as it will be seen that from 1818 forward for some years the most trivial quantity of foreign wheat was imported; and it is impossible, therefore, to say that the great depression had any connexion with foreign supplies or competition.

It is evident that the influences which induced such an extended and forced cultivation, viz., the high prices of 1817, and the prohibitory law, which had for its only object the maintenance of these high prices, were the real and only cause of the ruinous prices which ensued in 1822; and it is as evident that great loss must have been sustained by those who, in the delusive hope of reaping the advantages promised by these prohibitory laws, had been thus induced to expend so much capital and labour in the improvements which took place, and who thus found that, just when the invested capital began to show its fruitful results, the prices began proportionally to diminish, until at length they did not receive one-half of the rates which had induced them to expend so much money, notwithstanding the promise of protection which the law held out.

But no article can long remain below the cost of pro-

duction: we accordingly find, immediately after this year, evidences of the contrary tendency. We see that low prices did not fail to produce the exactly opposite tendency of the high prices—a curtailment of cultivation in every way in which it had previously been extended. Many of the inferior soils, which had been dragged into cultivation, were now abandoned for this purpose; and we consequently find that the supply diminished every year, and the average price gradually improved. This process went forward until 1829, when we find that the quantity of home-grown wheat brought to Mark Lane had fallen from 512,152 quarters, in 1822, to 188,150 quarters in this year, and the price had in the same time risen from 43*s.* 3*d.* to 66*s.* 6*d.* per quarter. There can be no doubt that this change was only the natural reaction which followed the glut at the former period: such a course was quite imperative, by the fact that over-supply had pressed prices below the cost of production. The cause, therefore, which influenced the over-production must necessarily be deemed the original cause of the ensuing scarcity. We now find that we have, consequently, three years of high prices, but, unfortunately for the home-grower, he had an extremely limited quantity to sell: his *large bulk*, 512,152 quarters, was sold at the minimum price, 43*s.* 3*d.*; and now his minimum bulk, only 188,150 quarters, secures the maximum price, 66*s.* 6*d.*; and it will be seen that during these three years nearly double the quantity of foreign wheat was imported and retained for consumption of that in the whole preceding ten years: the quantities being 4,559,736 quarters in 1829, 1830, and 1831, while only 2,440,229 quarters had been thus imported in the whole preceding ten years: showing an average of

1,519,245 quarters annually in the former case, and only 244,022 quarters annually in the latter case.

The ruinous consequences of these fluctuations became at this period the subject of general remark and attention, and the government, acknowledging the failure of the law of 1815, its inadequacy to produce the intended effect, and its general baneful influence, admitted that some change was needful, chiefly for the object of producing a greater equality of prices, and preventing such ruinous fluctuations. It still, however, appears not to have been clearly understood from what cause these fluctuations had really arisen; and, therefore, on the consideration of the question, they were treated more as the result of natural accidents, to which the cultivation was necessarily liable, than really as solely the consequence of the protective enactment.

To accomplish the two-fold objects of giving protection to the landed interest and of maintaining prices more equal, two modes were proposed: one, that of a fixed duty at all times; the other, a fluctuating scale of duties, which was adopted, and has since been the law.

The latter theory was received with great favour, and much lauded as possessing the important element of steadying prices: for, as it was urged, the principle of ascending duties as the price fell, and of diminishing duties as the price rose, must have the effect of equalizing the supply, and consequently prices, by gradually excluding foreign grain, when our stocks or production were increasing, and by gradually admitting it when

our stocks or production were diminishing; and thus that prices could not sink very low, or rise very high. At first sight, this enactment looked most ingeniously calculated for the intended purpose.

Provided there were in the nature of the article itself the necessary elements of fluctuation, which it has been shown do not exist, then such a regulation might possibly have been useful; but if, instead of such a tendency, it is found that, if left to itself, it has the directly contrary tendency, that of maintaining an equality of value; that this ingenious device was only an attempt to cure an evil which would not have existed but for the interference of the legislature; that this attempted cure was not only a sufficient cause for the creation of the evil, but must exercise an infallible effect in prolonging and extending it, — then much of its beauty and ingenuity, acknowledged at first sight, must vanish.

Without apparently referring to what the home competition in the production of wheat, uninfluenced as has been shown by any external competition, had produced as an average price, the government aimed at again securing to the growers prices which they could never maintain; and then it was considered, very falsely, that the continental farmer could really pay a considerable duty, even 20s. per quarter, and successfully compete with the home-grower; and, therefore, this scale of duties was fixed throughout at such rates as to provide for this. For example, suppose the average price to be 53s. per quarter: if the foreign grower could profitably send his wheat at that price, and pay, as

many supposed, a duty of 20*s.*, the government, as a protection to the English grower, made the duty 14*s.* 8*d.* higher, viz., 34*s.* 8*d.*; and so on. It was, therefore, quite evident that prices might be maintained at a very high average without admitting any foreign competition: for example, when the average price was 60*s.* per quarter, the duty fixed was 26*s.* 8*d.*; and when the average price rose to 66*s.* 6*d.*, the highest average which it has ever reached for any one year since 1819, the duty was fixed at 20*s.* 8*d.* So great an encouragement and apparent protection to maintain the high prices of the time could not, therefore, fail to produce a repetition of what had occurred from 1817 to 1822. If it had been understood that these consequences had arisen only from the previously attempted protection of high prices, we cannot believe that these rates would ever have been fixed; but there was one other great error in the principle of this fluctuating scale of duties, which must also have rendered them of no benefit in effecting their professed object.

If such a principle were applied to regulate the supply of an article which could be produced instantly, when required, and the production of which could, without loss, be instantly abandoned, then it might have a tendency to keep a very uniform supply and price; but when it is considered that the arrangements for the production of wheat require two or three years to come into full operation, either in extending or diminishing the cultivation, it is quite clear that any influence which could be given to production by the operation of this principle would not come into effect until the whole face of affairs might be

changed, and its supposed adaptation to provide against famine or extreme high prices on the one hand, or a glut on the other, would entirely fail. For example, from 1833 to 1837 the average price for any one of the three years never reached 49*s.*, at which price the duty is 38*s.* 8*d.*, leaving only a difference of 10*s.* 8*d.* per quarter between the duty and the whole price; and in one year, 1835, the whole average price was only 39*s.* 4*d.*, at which rate the duty is higher than the whole price obtained. The influence which such a state of the market was likely to produce on those growers, on whom the law supposes we must depend in case of necessity, is obvious. All cultivation must cease beyond their own wants, and in the course of two or three years after, as soon as the arrangements came into operation, their production would only be adequate thereto; but, in that time, the average price may have risen in this country, and a foreign supply become necessary, as has really been the case in the present instance, just at the moment when our own acts had annihilated the supply: or, to take the reverse case, at the present moment, our free admission of wheat to meet the scarcity which exists has raised the price to 65*s.* per quarter in many parts of the Continent, where the usual price is about 33*s.*; but it is clear that even this high price cannot instantly call production into existence to meet the urgency of the case, though it were ten times greater than it is: still it cannot fail to stimulate every effort to increase supplies as soon as possible, not only by the encouraging prices, but, also, by the additional capital which is thus unexpectedly put into the hands of the growers for their present crops. But these efforts will not produce their full effects till perhaps the end of two or

even three years, by which time the urgency of the demand has passed away, and increased cultivation at home has lowered the value and raised the duty ; but, as this impulse to production on the Continent has caused a supply far greater than is required for themselves, the markets are glutted, and prices forced far below the cost of production ; and thus the operation of our own Corn Laws is the chief cause of the extreme low prices which sometimes prevail on the Continent, and serve to excite the fears and astonishment of the growers in this country ; which low prices, it ought to be borne in mind, are no more remunerating to them than the prices of 1822 and 1835 were to the English grower, pressed down as they were by similar causes. It thus appears that the very nature of the production of wheat must ever have excluded any benefit which was anticipated from this apparently ingenious contrivance.

By reference to the table we find (not to our astonishment) that the same process went forward from 1829, under the influence of the new law, as had done from 1817, under the influence of the law of that day. The supplies gradually increased and prices gradually fell ; until, in 1835, we find a supply at Mark Lane of 468,338 quarters, with an average price, of the whole year, of 39s. 4d. against the supply in 1829 of 188,150 quarters, and an average price for the year of 66s. 6d.

Then again, true to the principle already explained, the tide once more turns, and we find supplies each year diminishing and prices increasing, until, in 1838, the former has fallen down to 296,500 quarters, and the latter

risen to 64s. 7d. It is really most curious and interesting to observe in the table with what strict uniformity and regularity these changes take place ; and it is just as certain that the same uniform changes must take place for the next twenty years, should the same causes continue in existence, as if the period had passed over and the figures stood recorded on the same table extended over that time.

We will just shortly glance at one of the causes which have often been urged for the variations in the prices of grain :—viz.,

'The changes in the value of money, by an extended or restricted circulating medium at different times. There can be no doubt that an extension of the currency, either paper or metallic, must at all times tend to enhance the general money value of all property, and that, on the contrary, its restriction cannot fail to reduce the money value ; but apply these undoubted truths to the subject of our investigation, and let us see how far they will assist us in accounting for the strange fluctuations we have pointed out. From 1822 forward to 1824 a considerable depreciation took place in the currency by an inordinate issue of country one-pound notes, which produced the panic of 1825. Prices of wheat ought, therefore, by this law, to have risen ; instead of that, they remained at the lowest rates. From 1826 forward to 1829 the currency was greatly curtailed by the withdrawal of all one-pound notes from circulation, and property of almost all kinds suffered an immense depreciation ; but wheat, on the contrary, was highest throughout the very year when

this depreciation may be said to have reached the climax—1829. Well, then, from 1830 to 1835 the currency again experienced a great extension by the establishment of joint stock banks, and the value of money fell in 1835 to the lowest point experienced for many years, and credit and speculation were equally rife, which led to the panic of 1836.

Property and produce generally assumed then a very high relative value, but wheat still, unlike all other articles, was at the lowest point in 1835, in the very year it ought by this rule to have been highest—the Gazette average price for six weeks having at one period in that year sunk down to 35*s.*, and for the whole year to 39*s.* 4*d.* per quarter. We do not say that wheat is unlike all other articles, and not subject to these influences of the currency—we know it is; but, because it is and must be, it only affords an additional proof that the fluctuations which have really taken place were not caused by that agency, but some other principle, which proved strong enough to reverse entirely the otherwise natural effects of these influences.

We, therefore, submit that we have shown sufficient to prove that these rapid changes in price have only arisen from the necessary tendency of an attempt to foster and protect high prices by restrictive laws; and we think we have shown the principle sufficiently to prove that just in proportion to the extent of the protection which might be aimed at would be the fluctuation: for example, had the law, instead of fixing 80*s.* as the price below which wheat could not be imported, been pleased to

make it 100*s.*, it is quite clear that, that standard being taken instead of 80*s.* by the growers, they would have brought as much more land into cultivation, and spent as much more capital on that already in culture, as had promised remuneration at this price: this increased inducement to produce could not fail to call into existence an over-stock proportionably greater, and prices correspondingly depressed. The reaction of this greater depression must also have been in exact relation to its cause, and in the proper time have produced a still greater scarcity than did actually ensue, so as to have reached the price supposed, or perhaps higher. In like manner, had the price been fixed at 60*s.* instead of 80*s.*, the inducement to over-produce being abridged, depression to the same extent could not have followed, and the reaction would have been correspondingly less; but in a relative degree they must still exist, and it would not be until the attempted protection was altogether abandoned that this necessary consequence would become extinct.

We have been thus particular in endeavouring to prove that the extraordinary fluctuations which have taken place of late years in the price of wheat, which, as we have shown, ought to be the least fluctuating of all commodities, have been, and must ever continue to be, the result of protective and prohibitory laws; because we believe that from this necessary tendency the whole of the evils of the present system have arisen.

We shall therefore now proceed to examine the consequences which these fluctuations must entail generally on the interests of the whole community; and then more

particularly, first, on the agricultural, and secondly, on the mercantile interests.

Many will be apt to think that, if fluctuation is the only result, the evil of the Corn Laws must have been most extravagantly exaggerated; for they may think that the high and low years may make a fair average both to consumer and producer, and what is lost by either party at one period is made up by the reverse period. Nothing can be more fallacious, which, we think, can be easily shown by a close examination of the subject.

No principle is better understood among political economists than that an over-abundant use of capital and labour, in any one pursuit or direction, must not only be in itself a waste and loss to the community, but must also be prejudicial by withdrawing these elements of national prosperity from other objects where their application would produce a positive benefit; and that it must therefore ever be of the greatest importance to a community that its capital, skill, and industry shall be directed in a way exactly apportioned to all the wants of the public, which could not fail generally to be very nearly the case, were all production left to regulate itself by the natural effect of competition and self-interest, but which must always run a great hazard of misdirection by the interference and attempted protection of government to partial objects.

It has been shown that the influence of protective duties must always be to induce a great excess of capital

and labour to be for a time employed in the cultivation of grain, and that therefore, in this respect alone, they must be injurious to a great extent.

In the first place, a great excess of production and stock is the consequence, accompanied by extreme low prices, ruinous to the growers. It never can be advantageous for the community at large that they should consume the produce of any one party below the cost of production, for a period is not very far distant when the consequences must react and infallibly produce very high prices and great scarcity; and we will show that the evils of the reaction are far greater than any advantage derived from the low prices.

We find that from 1829 till 1835 the supply at Mark Lane increased from 188,150 quarters to 468,338 quarters; and that the prices fell from 66s. 6d. per quarter to 39s. 4d. per quarter. During this period there was evidently too much capital and labour employed in the production, and a great excess of supply ensued. If, therefore, such a quantity of wheat had been produced as could not be consumed in the proper period for which it was intended, but a large portion must be kept over for the consumption of future years, it follows, as a matter of course, that the value of that surplus stock (and which would consequently fix the price of the whole by the common laws of competition), which must, therefore, be held over for the chance of future demand, must be sold as much below the cost of production (which would, in all likelihood, regulate the prices in the future) as would pay the interest of the capital invested in it,

the expense of keeping it, the deterioration in quantity and quality, and a profit to the holder.

The producer, by thus submitting to a great loss, is deprived of the inducement and the means to continue the same extent of production; the supply gradually dwindles below the quantity required for consumption, and the surplus held over from former years has at length an opportunity of coming into consumption by the high prices occasioned by restricted production.

But was the loss thus occasioned to the grower a gain to any one? It seldom occurs, such is the enormous cost and waste of holding grain, that, if bought in the lowest years and sold in the highest years, much if any profit attends it.—It will therefore appear that the great losses submitted to in low years are wasted in the interest of money, the cost of keeping, turning, &c., the support of vermin, and the natural decay of time. No one therefore can fail to see how great a general loss must be thus entailed on the whole community by diminishing the aggregate amount of its capital; and when it is considered how huge is the amount implicated in this important article, the loss thus sustained must be of a fearful magnitude. But many will say it is far from being all loss:—one man receives interest for the capital, another a rent for the granary, another the wages for turning and keeping, &c.; but these being all unproductive applications alike of labour and capital, must, notwithstanding this distribution, be a total loss to the community.

By way of illustration, suppose that in a certain town a great demand had existed for habitations. Streets were erected to supply the demand, but when the demands ceased the erection of new streets was still going forward;—a builder, finding himself with an elegant range of houses without a single tenant, applies to a capitalist to purchase his property.—The capitalist has no more chance of finding immediate occupants than the builder, and he therefore says. “Yes, I will purchase your houses, but only at such a price as will remunerate me for the interest of my money, and the expenses of keeping the buildings in repair, until such a time as I can hope to obtain suitable tenants to occupy them: because I see no reason to suppose that the expense of erecting such buildings will be greater some years hence, when they may be required, than at this moment.” No one can therefore suppose that this loss, which would thus fall on the builder in the first place, notwithstanding the whole of the difference between the cost and the price paid by the capitalist might ultimately be paid to the slater for repairing the roofs, to the glazier for repairing the windows, to the painter and the plasterer for their necessary assistance to keep these tenements in repair, till required for habitations, would nevertheless to the full amount be a loss to the whole community by so much abridgment of the general stock.

So it is exactly with grain or any other commodity; and the case is not altered one whit though the farmer should be the holder of the wheat, or the builder the retainer of his houses:—in the first case the rents of granaries, or his own building must still be paid, the labour

of turning and keeping must still apply, time would still continue to decay, and vermin would still continue to be created and fattened by that which was destined as the best support of human life:—in the last case, the roofs would still require the slater, the windows the glazier, the whole the painter and the plasterer to preserve the buildings; and in both cases the capital would be locked up and remain dormant, which might otherwise have been usefully engaged in the reproduction of other things required by the community.

But, besides this, such extreme excess of stocks and of low prices cannot fail to produce a lavish and inconsiderate use of this great necessary of life:—waste and profusion must ever accompany such a state of things. Who has forgot the numerous inferior uses to which wheat was applied in 1835? It was employed for distilling to a great extent; and in many places to no less an extent in feeding cattle; for which purposes much inferior articles, of much less prime cost, would have been more suitable; but which had been partially pressed out of cultivation by the over-production of wheat. Barley, for example, which, by the law of cost, ought to rule about half the price of wheat, was at that period nearly the same price. Green food in Ireland was in like manner dearer in proportion than wheat even for the purposes of feeding cattle; and therefore in many places wheat was used as a substitute for these products. In like manner the range of elegant houses, with their fluted and pil-lared porticoes, with their marble halls, and their richly-corniced rooms, suitable only for the occupation of the rich and the great, are used as the deposits of lumber or

merchandise, or cut up into small tenements for the occupation of the poor, who would be more comfortable and more at home in neat ten-pound cottages.

A great part, therefore, of the surplus is wasted and unappropriately applied; the time of reaction, of scarcity and high prices, is thereby accelerated, and then the whole community are to suffer a period of want and extreme prices.

But if such are the baneful consequences to the community at large, with what a fearful degree must they apply to the landed interests, who must not only, in common with all, share in the losses thus sustained, but who are in themselves the individual objects through whom the whole evils reach the community; and who therefore *personally* and *particularly* incur all the *losses* which the public does *generally*.

This point, being one of the most important in our investigation, deserves close attention.

We have already seen how the high prices of 1817 and 1818, of 1828 and 1829, accompanied by prohibitory enactments to secure their continuance, had the effect of increasing the production and supplies: now it is clear this increase could only have been accomplished by a greatly-increased application of labour and capital, in reducing poor lands into cultivation, and in forcing the productiveness of those already in cultivation. This was all done by the farmer, stimulated by the natural hope of securing the high prices which the

legislature in effect promised should be permanent; a natural competition arose for farras, and the rents accordingly advanced;—the farmer went on year after year improving and cultivating, but he found that year after year the prices were lowering. With a view of paying his enhanced rent and his increased expenses, he pressed his production further and further, to make up in quantity what he lost in price. His efforts, however, only recoiled upon himself; his increased quantity only produced greater and greater depression, until he arrived at the points of 1822 and 1835. He now found that all along the object of his pursuit had eluded his grasp, and that to go on would only have sunk him deeper and deeper in losses; that the investment of capital,—that the extraordinary application of skill and labour, to secure what had been held out to him at the commencement of his efforts as the sure reward of his industry and enterprise,—had all ended in losses and disappointment, and, in many cases, in utter ruin and despair.

He has arrived at the period when his surplus stock presses severely on the market; he has, in fact, not only produced for the wants of the present, but has anticipated the consumption of the future: he must, therefore, as before shown, sell his commodity as much below the cost of production as will enable the buyers to hold it over till the time it is required for use, and pay all the necessary charges in so doing.

It is therefore evident that the farmer personally suffers the whole loss of capital stock which the community does generally, incurred in the interest of capital

necessary to hold this surplus till it is required, of the whole expenses of granary-rent, of turning and keeping in order, of producing and fattening the vermin which swarm amongst his produce, and of whatever profit may attach to the merchant by the operation. The whole of these charges and losses are only a part of the capital and industry which the farmer had been induced to invest upon the soil. Just as the difference between the cost and the diminished price which the builder received for his range of elegant houses was to him alone a personal loss, so the diminished prices paid for wheat in years of excessive supply must alone be the personal loss of the grower; and with the producer there is this greatly aggravated fact:—he is obliged not only to accept the reduced and ruinous price for the surplus quantity which must be held over for years, but he is obliged also to accept the same low prices for the whole of his produce,—not only for that which is in excess, but also for that which is absolutely required for consumption. The natural competition which prevails among all the growers to have their produce bought and consumed must always have this natural tendency. They cannot receive one price for that which is to be kept, and a higher for that which is to be consumed the following day.

The huge loss which is thus entailed on the farmer deprives him of the means and of the inducement to go on producing at the same rate. His cultivation consequently becomes curtailed, the amount of labour and capital which he expends is greatly lessened, his lands fall into a comparative state of unproductiveness, and become applied to other purposes, requiring much less capital than that of

raising wheat. This operation goes on for some time, until his production gradually sinks below the average rate of consumption; the old surplus stocks become gradually, and silently, and unwittingly consumed, as the prices advance; and, before long, the diminished cultivation and exhausted stocks are brought to view by rapidly-enhancing prices and increasing scarcity, which only a short time before were little apprehended, and for which, therefore, no provision had been made. This brings the grower to the points in the table of 1828 and 1838, when the prices rose so high as to admit foreign wheat without any duty, or only a nominal one.

It is true the farmer now participates in these high prices,—but to what extent? Refer to the table, and it will be seen that in 1822 the English grower receives at Mark Lane for 512,152 quarters of wheat only 43s. 3d. per quarter; and in 1835, for 468,338 quarters, only 39s. 4d. per quarter; while in 1828 he receives 66s. 6d. per quarter for only 188,150 quarters, and in 1838 he receives 64s. 7d. for only 296,500 quarters, the difference of these being supplied by the accumulated surplus produce of the Continental grower. Thus, for example, the supplies of wheat at Mark Lane were as follows in the last three months of the following years:—

Supplied	1835.	1836.	1837.	1838.
	Quarters.	Quarters.	Quarters.	Quarters.
British	124,871	102,109	84,902	56,283
Foreign	None	16,450	24,287	94,433
Total	124,871	118,559	109,189	150,716
Average price of three months	35s. 6d.	53s.	51s. 4d.	70s. 9d.

It will be seen, therefore, that while the English grower, by the operation of these laws, secures to himself the supply of the whole of Great Britain when the prices are ruinously low, he compels the foreign grower to hoard up his surplus produce until a scarcity arrives; and then the English farmer, having only a very limited quantity to sell, allows the foreign grower to participate in all the advantages of the high prices. It is, therefore, so ingeniously* contrived, that, when prices are high, the English grower shall be only to a very limited extent advantaged thereby, and when prices are low the whole loss and ruin shall devolve upon him.

But, not knowing or not acknowledging the secret and real cause of all his misfortunes, little dreaming that the very laws which have been enacted for his protection are the real causes of his misfortunes, we see that he again, as recklessly as ever, enters the arena of competition to produce: the high prices of two or three years furnishing him with more capital, he is again tempted to a similar operation as that which before brought him to the brink of ruin. And thus we see that, notwithstanding the effects which were produced from 1817 to 1822, the same race was as eagerly run from 1828 to 1835; and the same race is now with as great eagerness at this moment commenced, which, if things remain unaltered, will end in the same results some three or four years hence.

Notwithstanding the depression only three years ago, the competition to take farms is so great, that at this moment some land, which only a year ago was worth 25s. per acre, has let for 44s. By a careful inquiry we find that the demand throughout the country for manure

of every description, to force cultivation, is so great, that the produce of the government horse-barracks is engaged for many months forward at high prices; and in some cases we have found that it has been engaged for farms at a distance of fifteen and sixteen miles from the spot; whereas, in many instances, three years ago, it was with difficulty disposed of.

This shows the expensive mode which is used to force production; but such is the natural and unavoidable results of the present system, and will continue as long as the delusive cause continues. Yet it cannot fail to produce the most painful feelings to any one taking an accurate view of the subject, to contemplate the necessary results which must attend these efforts, dictated by motives so fair and so natural, the loss of capital and labour which will be experienced, and the severe disappointments which must again for a time wither the hopes and destroy the energies of the honest and laborious cultivator of the soil.

While this train of cruel effects is experienced by the farmer, the landowner, contrary to a general opinion, does not escape a large share of the evil.

In the first place he lets his lands at comparatively high prices, and for a year or two, while the high prices continue, he may obtain them; but he soon finds a diminishing ability to pay the rents: he is obliged to make deductions from year to year, to make a merit of necessity, and accept a fourth, a third, or even a half less than contracted for: he must do this or break up and ruin his tenantry

without any hope of replacing them. It must be still fresh in the recollection of every one that from 1821 to 1823, and again from 1832 to 1836, the greatest portion of the landed proprietors were obliged annually to give a reduction of twenty, thirty, or forty per cent. of the stipulated rents, or submit to ruin and lose their occupiers; and even then many estates were with the greatest difficulty tenanted in those years, and some were obliged to become the occupiers themselves of large districts. All lands that are newly let at such times are let at rates corresponding with the low prices of the day: the cultivation is only suited to these prices; their productiveness is thereby materially diminished, the intrinsic value of the property is proportionably reduced, and thus the loss which is sustained by the landowner by this reduction of rent, being sunk in a lessened productiveness, is gained by no one, but, so far as it runs into excess in proportion to the wants of the community, must be a general and national loss. As with the farmer, the first and particular loss falls on the landowner, but the general loss reaches the whole community, not only by the depreciation of the income which it involves, but also in the high range of prices which must succeed such depreciation.

So exactly as was the case with the farmer in 1817 and 1818, and in 1828 and 1829, when the landowner was promised, by all apparent causes, and by the most binding contracts, a long range of high rents, he very soon discovered that, from some secret cause, his reasonable expectations were disappointed, and his contracts of no avail. The interests of his tenants were drooping so fast, and their means of fulfilling their engagements

vanishing so rapidly, that to have insisted, in the years which followed the above periods of promise, on the full payment of rent would have been to have untenanted his whole estate, become the cultivator himself, and thus put himself in the same unfavourable position as the departed tenant, or allow his lands to run into barren waste. It became as much a necessity for the landowner to accept a greatly diminished rent in one form or another, as for the farmer in the same years to accept a price for his produce far below the cost of cultivation; and thus the landowner is obliged, like the farmer, to accept a low price in the very years of the greatest productiveness, which ought to yield the highest rent, only because by false hopes and promises this productiveness is pressed too far, so as to supply not only the wants of the present, but to anticipate those of the future, in the ruinous consequences of which, already pointed out, he is thus compelled to share.

The new and reduced value which his property now assumes continues for a number of years, as has been shown by its depreciated productiveness; and so as the times of high prices arrive in 1828-29 and 1838-39, which alone could afford him the high rent for which he had originally stipulated, he reaps none of the advantages to which such prices would appear to entitle him; for the same reason that his tenants reap so little of the advantage of these prices: his lands at this period can only bear a value corresponding with their productiveness, which by the necessary consequences of these fluctuations is now at the lowest ebb; and then the interest of the Continental landowner, which has been most care-

fully excluded during the whole period of depression, is introduced in the accumulated form which its surplus produce for many years has acquired, and a large portion of the advantages of the high prices paid by the community is thus contributed, as before shown, to this interest. As the farmer partially, and to a small extent, participates in the advantages of the high prices, so now the landowner participates likewise by a fresh promise of high rents, which he will receive as long as the farmer can pay them, but which he will soon find is no less delusive than the similar hope he formerly entertained, and which, if the same causes continue, will end in the same disappointment.

It is, therefore, clear that all the causes which influence the prosperity of the farmer must correspondingly apply to the landowner, and we must for ever dismiss from our considerations the notion that a policy which can be detrimental to one can be beneficial to the other.

If, therefore, the landowner has the merit of making these protective laws, it is curious with what ingenuity he has discovered a principle which secures to himself only the rents yielded by the *lowest* prices, and by the lowest or most depreciated state of cultivation and consequent productiveness, while he secures to the foreign grower a full participation in the highest prices, and thus affords him, or the intermediate speculator, a high remuneration for holding his surplus produce of the years of low prices here until the arrival of high prices.

It would be satisfactory could we arrive at any accurate mode of ascertaining the loss to which these fluctuations have thus subjected this country. In the absence of correct information as to the exact produce of each year, and the whole quantity entering into consumption in each year, this is impossible; but we can arrive at an approximate estimate of it by using as a criterion the operations of Mark Lane; and we see every reason for thinking that the result of this test must bear a close comparative relation to the whole kingdom.

As we shall afterwards show, we take 52*s.* 2*d.* to be the proper price for wheat, at which an exactly sufficient amount of production would be kept up, it having been the average price for the last seven years: we therefore take it as the standard price at which wheat can be sold to the consumer. It must be clear that whatever average annual price the farmer receives in any year above that price, he obtains so much profit beyond the average rate; and that whatever average annual price he receives in any year less than that standard price, he makes so much distinct loss; and therefore the difference between the profit derived from the higher prices and the loss from the lower prices must show the balance in favour or against the home grower. We therefore present the following tables, showing these results for the last seven years:—

YEARS in the last Seven when Wheat sold above the Average Price of the period.

Years.	Quantity brought to Mark Lane.	Price sold for	Average Price.	Gain.	—		
	<i>Qrs.</i>				<i>£.</i>	<i>s.</i>	<i>d.</i>
1832	300,073	58/8	52/2	6/6	97,523	14	6
1833	388,171	52/11	. .	/9	14,556	8	3
1837	321,735	55/10	. .	3/8	58,984	15	0
1838	296,500	64/7	. .	12/5	181,077	1	8
Total Gain of these Years.....					£355,141	19	5

YEARS in the last Seven when Wheat sold below the Average Price of the period.

Years.	Quantity brought to Mark Lane.	Price sold for.	Average Price	Loss.	—		
	<i>Qrs.</i>				<i>£.</i>	<i>s.</i>	<i>d.</i>
1834	418,431	46/2	52/2	6/0	125,529	6	0
1835	468,348	39/4	. .	12/10	300,516	17	8
1836	414,145	48/6	. .	3/8	75,926	11	8
Total Loss of these Years.....					£501,972	15	4

Amount of loss in three years, when wheat sold below
the average price.....£501,972 15 4

Amount of gain in four years, when wheat sold above
the average price..... 355,141 19 5

Balance of loss.....£146,830 15 11

These tables show a clear balance of loss against the landed interest of nearly 150,000*l.* on the operations of Mark Lane alone. Now, when it is considered that the average quantity included in these calculations is only 372,486 quarters annually, to what a fearful amount

does this balance of loss point, when taken in relation to the whole kingdom,—the annual consumption of which cannot be estimated below 16,000,000 quarters! And it must be borne in mind that, whatever this loss may be, huge as it may appear, the whole of it must first attach to the landed interest, and through them to the community at large.

At the hazard of being very tedious, we have dwelt thus long on the influences exerted by these laws on the agricultural interests, because we believe them to be chiefly interested therein, if not wholly so, speaking particularly of different sections of the community:—though nothing can possibly injure one portion without injuring the whole, as nothing can benefit one part without benefiting the whole.

In this view chiefly we are to consider it in relation to the mercantile and manufacturing interests: we are only to consider them in this place as generally interested, as we shall hereafter treat of their supposed personal or particular interest therein. Nothing can be more clear than that the manufacturing industry of the country depends entirely on the ability of our home population to consume, and of our merchants to export, and that the latter ability must greatly depend on the home demand for the products of foreign countries. Any cause, therefore, which diminishes our internal ability to consume either the manufactured products of this country, or the imported products of others, cannot fail to operate in a double capacity on the manufacturing interests, and in the same double capacity on the mercantile interests: for

with regard to the former, our own immediate consumption being lessened, as well as the consumption of those articles of foreign produce, by the importation of which alone we enable many distant countries to consume our manufacturing products, must act, not only on the home demand immediately, but also on the foreign demand ultimately: and, with regard to the latter, their ability or interposition to import for the home consumer of foreign products, and export for the producer of our manufactures, must greatly depend on our internal means of consumption. In short, the whole chain of mutual interests is so perfect and so complete, that one single link cannot break without injuring the entire frame; that a loss, however trifling, can be experienced nowhere without reaching the whole, and nothing can give gain to one without advantage to the whole.

Any system, therefore, by which a huge and important portion of the community is impoverished, and that only by sinking and waste, by which so fearful a sum as we have shown is annually lost to themselves first, and the community secondly, in the unproductive application of capital and labour, in the creation and feeding of vermin, and in the natural decay of time, cannot fail to produce a most important restriction on the ability of this portion of the community to consume not only the articles manufactured here, but the articles imported in exchange for our manufactures; and so likewise on the mercantile interests, by restricting the amount both of exports and imports comparatively.*

There is, however, one view in which we may consider

the result of these laws in this place as bearing materially on the mercantile interests. In consequence of our demand for foreign supplies of grain being only occasional and accidental, no regular mode of exchange exists by which the payments can be made, and it therefore becomes necessary to send the amount in bullion for whatever we take.

Strong cases are justifiable to elucidate principles.— Suppose that the wheat crisis of 1828-29 had been simultaneous with the money crisis of 1825-6, or that the late money crisis of 1836-37 had been simultaneous with the present condition of wheat ;—and there is no reason why such corresponding similar circumstances should not occur at the same time ; on the contrary, there are many reasons why they should so occur simultaneously : for if, from its own position, the money-market at any time had a tendency to derangement and pressure, it is clear that the demand for bullion to import wheat at such a moment could not fail to accelerate the difficulties of such derangement. Well, then, suppose that in (the winter) 1836-37 we had required to import two millions of quarters of wheat, as we are doing at this time, at a prime cost of upwards of 60*s.* per quarter, landed on our shores, which would have therefore involved a sum of six millions of pounds sterling for the payment,—in what position would the Bank of England have found itself, with its stock of bullion already reduced from other causes to an amount far below that sum ? Under such circumstances, to have derived such a supply had been an impossibility ; and the distress which must have ensued from the money crisis and the scarcity of wheat at the same moment must have been of a most fearful and alarming description.

Those who are familiar with these subjects can well suppose what the condition of this country would have been, had we been called upon for such a sum at that time.

Fortunately, however, the present difficulty has not arisen until just a sufficient time had elapsed to bring about the effects of the reaction of the crisis of 1836-37, and to fill the coffers of the Bank fuller than she could profitably retain them; and therefore this evil has assumed the most mitigated form it could have done. We may not always be so fortunate; and, if these two circumstances should ever occur together, in such forms as they have individually assumed in the two periods alluded to, that moment would indeed long continue a marked and mournful page in England's history.

There remains one more effect of these fluctuations to which we must briefly allude: that is, upon the moral and political condition of the labouring population of all kinds—particularly the agricultural.

It must be obvious that the tendencies experienced by the farmer must immediately influence the labourers he employs. In his successful or advancing years, a good demand exists for labour, and either attracts or retains more to this pursuit than on an average it is capable of maintaining; and thus we find, when the period of diminished cultivation arrives, the strongest evidences of surplus labour, as of surplus stock; distress to a painful degree becomes the lot of the hard-working tiller of the ground, whose only desire is for "*leave to toil*;" but, like

his master, he has already toiled too much, and too unprofitably. Ignorant of the real causes of his distress, driven to pinch and want, he becomes too readily the victim of vicious and designing men, and has recourse to many acts of violence and injustice, which, instead of mending his case, can only tend to make it still worse.

No one can have forgot the terror and dismay which, from this cause, spread through our usually quiet and peaceful rural districts a few years ago, when the agricultural interest was severely depressed; the awful and mysterious midnight fires, which frequently lighted up a whole district at the same moment, consuming the very means of subsistence; anonymous letters followed up by all their threatenings; secret societies to fan and inflame the worst passions; highway robberies and personal attacks; outrages of every description; and all perpetrated by men whose ignorance and misery (from causes over which they had no control) were really much more apt to excite our pity than our blame. But how insensibly all these evidences have vanished with a return to prosperity, although it is impossible that they have not left behind a population of a lower and more debased standard of morals! They are now as quiet as ever, but the return of distress to their employers will not fail to reduce them once more to a similar condition.

It should also be remarked that this distress cannot fail materially to increase the poor-rates, and the charges of maintaining good order, which must act as a distinct cause of reducing the rents and income of both farmer and landlord. In some instances these charges have

pressed so heavily at particular times as to consume the whole rent, and to render land of little or no value, which would otherwise have let at a fair average rate.

With the manufacturing labouring classes similar effects occur at opposite periods, when the necessities of life are pressed to the highest point: they are introduced in the years of ruinous cheapness to habits of comparative luxury, and consumption which their labour cannot on an average command; and they therefore feel much more the want occasioned by extreme high prices, when they cannot command so much as their labour should produce to them. So the effect is that in cheap years his labour commands too much agricultural labour, and he then anticipates a part of what should be the consumption of a future day; and in dear years his labour commands too little agricultural labour, and he is obliged to receive proportionally as much too little as before he received too much. It is, however, no answer to a half-fed and distressed population, that they must be patient under the cravings of nature now, because two or three years ago they had more than was necessary. It cannot, therefore, be a matter of surprise, that the worst consequences should often result from this distress: there can be no doubt that to this alone may be traced many of the riotous and often murderous scenes which have disgraced our manufacturing districts, which are otherwise distinguished for their patient, persevering industry and ingenuity, and which have won for England triumphs more glorious, territories more extended, and influence more respected, than she ever obtained by her most glittering and dazzling military achievements.

PROPOSITION THE SECOND.

That the Agricultural Interest has derived no benefit, but great injury, from the existing laws ;—and that the fears and apprehensions of the ruinous consequences which would result to this interest by the adoption of a free and liberal policy with respect to the trade in corn, are without any foundation.—That the value of this property, instead of being depreciated, on the aggregate would be rather enhanced, and the general interests of the owners most decidedly benefited thereby.

It is not without having very carefully considered the subject, and having most minutely investigated the facts bearing upon it, that we venture to undertake the support of a proposition so widely differing from the general sentiments of the combatants on both sides of this most important subject. What the landed interest claims to preserve as a privilege to which it is entitled by its position in the state, and by the important influence which its well-being must exercise over the whole community ; and what the opposite interest seeks to be given up as an acknowledged sacrifice on the part of the landowner, in common justice to them and the whole,—we seek chiefly, and first, as the greatest boon to those who are called upon to make the supposed sacrifice, and only through them as an untellable advantage to the general mass. We adhere closely to what we believe the only true theory on national interests :—That nothing can possibly be favourable to the whole that is detrimental to a part, and that

nothing can be detrimental to one portion that is favourable to another portion ; that the whole mass being made up only of parts, and as each part can only be interested through the medium of some or all of the other parts, it follows that any one part can only prosper in proportion to all the others from which it derives its support ; and that the whole of these parts are so linked together, that no weight or pressure can apply at any one point without bearing less or more on the whole chain of connexion.

We shall now proceed, and endeavour, by fair reasoning supported by undeniable facts, to reconcile our proposition and our theory with the interests in question, as proved by the experience of the past.

One part of the present proposition, that the agricultural interests derive great injury from the operation of the present Corn Laws, or from any prohibitory law for their protection, has been sufficiently considered already to require any further notice ; but it remains to be considered whether or not they have derived any benefit from the working of these laws in any way to compensate for the great injury sustained.

The professed object of these laws has always been to secure to the agricultural interests of this country high prices, high rents, and a high value of property, by granting them the monopoly of solely supplying the whole food necessary for the support of its population, by excluding all foreign agricultural produce, except at such periods as might arrive from any cause whatever, when the home supply should prove inadequate thereto.

Without, in this place, entering into any consideration of the justice or policy of such an attempt, had it proved of any practical effect, we will at once proceed to consider how far the intended object has been accomplished in the past, or is likely to be in the future.

In order to determine this question, it is necessary to ascertain what really have been the effects produced on prices by these acts, what effects would have been experienced had they not existed, and what effects are likely to be produced in the future, should they be entirely abandoned.

Some of the most important effects having been already fully considered, which went to prove the necessary existence of great fluctuations, we must now determine what has been the average price which, for a period of high and low years, has been received by the grower.

By taking the quantities sold at Mark Lane in each year from 1829 to 1835 inclusive, which includes a whole period from the highest to the lowest years, we find that the average price at which each quarter of wheat sold was 53s. per quarter; and we find, by the official return issued from the Board of Trade on the 3rd of January last, that the average price of wheat for the whole kingdom, for the last seven years, had been 52s. 2d. per quarter.

It must be clear that, however small this price may appear, a very large diminution from it is required to show what really the grower received. This average price necessarily includes all expenses, of whatever nature, arising

between the grower and purchaser—of all carriage, whether by land or by water; all freights by sea, all commissions, intermediate profits, market dues, and all other charges attending the sale; of all interest of capital, of granary-rent and waste, and whatever else may attach by keeping the surplus of one year to secure a higher price in another: what all these charges may amount to it is impossible to calculate, but it is certain they must constitute a very considerable total charge; and, however large it may appear, it must form a necessary deduction from the average price of 52s. 2d., to arrive at what the British farmer has obtained, during the last seven years, for his wheat when put into sacks and ready for market.

It must however be admitted, that, whatever may be the rate to which this necessary deduction would reduce the actual price obtained by the grower, it must have proved a sufficient price, on this average, to support the whole of the landed interests in their various connexions, in the actual amount of profit or income which they have derived from their property and pursuits; and that, whatever this real interest may be, it is the exact amount which can be secured to them by the existence of such protection; or, in other words, this price of 52s. 2d., reduced by the whole amount of the specified charges paid annually to the grower, would have been exactly equivalent to all the varying prices which he has actually received, but, nevertheless, subject to all the sacrifices and misery pointed out in a former part of these remarks, as the necessary attendants of the fluctuating manner in which he has received thus much.

We are the more convinced that even this diminished rate has been sufficient to remunerate all parties to the present extent of their interests, by the facts, that, while the population of Great Britain increased upwards of two millions from 1821 to 1831, and there can be no doubt has since that time increased in an equal ratio; the general condition of the whole population has much improved, and the aggregate consumption much increased, without any increased supplies from abroad as compared with former years, and with an average price for the last seven years lower than that of any former seven years for the last half-century; which proves, without the possibility of doubt, that the rates obtained have not only served to sustain the former amount of production, but to increase it in a proportion equivalent not only to the increased rate of consumption, but also to the increased number of consumers.

This may, therefore, be called the rate which is fixed by our own internal competition and resources: 52s. 2d. per quarter may be called the prime cost of wheat to the consumer, and that sum, reduced by the charges enumerated, may be called the remunerating price to the landed interest, to the exact extent to which they have been remunerated.

We believe there has been no source of error and misconception on the subject of our inquiry generally so great as the exaggerated belief, entertained and admitted by all, of the ability of the Continent to supply wheat, whether taken in relation to the prime cost of production, or as to the quantity capable of being produced. When,

however, we consider that on this very point hung the argument of all parties, and to sustain which it was necessary to make it appear that this ability was almost without limit; when, on the one hand, the agriculturist claimed protection from a formidable and unconquerable competitor, who, if allowed to stand on the same ground, would annihilate his pursuits, the greater, therefore, he could exaggerate the ability of the antagonist, the more he considered he made out his case for protection. On the other hand, the manufacturer opposed the claims of the agriculturist by insisting exactly upon the same Continental ability. He complained of the competition which resulted to himself by the extreme low prices of labour on the Continent, and demanded a participation for his labourers in the cheap and abundant products of those countries. The cheaper, therefore, and the more abundant, he could make them appear, the more he showed that his interests would be consulted by obtaining them; the more he proved that these prohibitory laws were made as a protection to the landowner at his cost, the more he proved that the manufacturing interests of the country were sacrificed to the landed interests.

All parties were therefore equally interested in insisting upon and exaggerating this point,—the question had never fair play; there was no motive, no disposition for one side to discover or point out the fallacies or extravagant statements of the other: on the contrary, they were only taken as admitted facts, and, if possible, still more exaggerated, to be used by each party in its turn, only differently applied. We thus find that, with these long accumulating extravagances incorporated into the opi-

nions and sentiments of all, a universal impression prevails, that the Continental countries have the power of producing an unlimited quantity of wheat, and of supplying this country at prices less than one-half of the British cost of production ;—that to open the door for the free admission of foreign grain would, on the one side, throw half our home-lands out of cultivation, ruin the farmers and landowners, and, on the other hand, lower the price of provisions to half their present rate, and the price of labour in the same proportion. Such are the extravagant notions entertained on this subject, that we might suppose we inhabited only a barren rock, without skill, industry, or capital, while our neighbours, whom we feared, possessed a soil which required no tilling, yielding spontaneously, year after year, the richest harvests. We never could dream that, co-existent with these fears, we possessed the finest climate, the finest and best-cultivated soils, the greatest amount of skill, industry and capital, of any country in the world, taken as a whole ; while many of the countries whose competition we fear are sunk in the most abject poverty and ignorance. What are the elements of cheap production ? Fertility of soil, climate, skill, and capital. What country possesses the whole to the same extent as this ? But it may be said that our population is so large that it presses on the produce of the land, and that these elements have not fair and extended application. We can only reply that, were it so, or when it shall be so, then a stronger reason will never be made out for encouraging the growth of wheat for our consumption elsewhere ; but it is not so, for it has already been shown that at two distinct periods within the last 20 years, and the last only four years ago, the

production of this country had been pressed so far as to force prices much below the cost of production, and this was accomplished altogether by the efforts of our own growers, without the aid of any foreign supplies worthy of notice.

Our belief is, that the whole of these generally received opinions are erroneous; that, if we had had a free trade in corn since 1815, the average price of the whole period, actually received by the British grower, would have been higher than it has been; that little or no more foreign grain would have been imported; and that if, for the next twenty years, the whole protective system shall be abandoned, the average price of wheat will be higher than it has been for the last seven years, or than it would be in the future with a continuance of the present system: but with this great difference,—that prices would be nearly uniform and unaltering from year to year; that the disastrous fluctuations would be greatly avoided, which we have shown in the first proposition to be so ruinous under the present system.

When we say that we believe the price will be higher, we mean relatively with the cost of production, and that it will give, on an average of years, a better profit to the farmer, and a higher rent to the landlord. We know it to be an opinion held by many most intelligent men on this subject, and in which we cordially join, that, by the improvements in agriculture and the economy of labour by the introduction of machinery, the cost of production has been much less of late years than formerly. (which opinion is fully sustained by the

fact noticed in another part of this proposition, that, notwithstanding the great increase of our population of late years, the increased productiveness of the soil has supplied a sufficient quantity for our greatly increased consumption, at a lower average price than at any former period, without any additional foreign supplies;) and that continued improvements and application of machinery in the future will more than keep pace with our increasing consumption, and thus, by abridging the cost, will lower, by our internal competition only, the general price of all commodities. By this operation the condition of the landed interest cannot fail to be improved, especially the landowner (as a great proportion of the increased productiveness would enter into rent), by a more extended consumption and general business; and in this case the more effectually must all foreign competition be shut out.

There are two modes by which supplies of any article may be materially increased: first, by an attempted protection and monopoly; and, secondly, by a free and open competition. In the former instance the increase is caused by a feeling of security against competition, and of the command, on the most advantageous terms, of the whole supply: the increase therefore which is thus produced, is only done by greatly increased expense and generally enhanced cost; so that, as soon as a surplus is felt, the inability of the producer to sell at a price to induce the consumption of the increased quantity renders it imperative that he should sell at a loss, and a consequent reaction takes place in the supply:—this has been the case with wheat. In the latter case, the increased supply will only be brought about by the application of more ingenuity, labour, and economy, causing altogether

so much lessened a cost, that the lower price at which the article can be profitably sold will always cause consumption to keep pace with production; and in this case, as the article still yields a profit at the low price, no reaction will ensue. This has been the case with all our manufactured goods. While cotton goods have been reduced to less than half the price they were a few years ago, no reaction has taken place in their supply; but, on the contrary, a steady onward course of increased production has been observable; because that diminution of price has only taken place in consequence of the greatly diminished cost by the introduction of more perfect machinery, and other improvements, which have greatly improved the interests of all concerned in such pursuits by enlarging the field of their enterprise.

In this way alone can we ever expect the prices of provisions to be cheaper, and in this way they would only be cheapened, by a general improvement of the landed interest; and it must be obvious to every one how great are the advantages which the British corn-grower has over any other in the world, in accomplishing this great and desirable end, as found in the great amount of chemical and mechanical skill, in the great command of capital, and in the congeniality of soil and climate to his pursuits, which this country possesses in so superior a degree to any other.

We shall now proceed to institute a comparison between the present ability of the Continent and that of Great-Britain to supply the population of this country with wheat, both in quantity and price, taking the cost price

of the last seven years as the remunerating price in this country.

To arrive at what is the cost of raising wheat on the Continent is rather difficult; as it would be in this country, if we were only to rely on the calculations of producers for our information: for it is obvious that many circumstances may make it very variable; and we are only able to do so by seeing what average price has been sufficient to sustain the average rate of production.

With regard to the Continent, circumstances are still more variable; but we have sufficient data, which enable us to discover near enough for any useful purpose, what price would be sufficient to maintain the present state and extent of cultivation in these countries.

The chief and best official information that we have on the cost and extent of cultivation on the Continent is to be found in Mr. Jacob's report, presented to the Board of Trade in 1828, subsequent to his official tour on the Continent for inquiry into these subjects in 1827.

We will consider this question under two distinct heads: first, the cost at which the Continental countries could supply their surplus produce; and, secondly, the extent to which this supply could be furnished.

Mr. Jacob appears to have made great exertion to obtain from the cultivators the actual cost of wheat; and in many instances they appear to have bestowed extraordinary pains in the attempt to furnish them; but it is quite clear that, however correct any calculation may be made for any one estate, it may be very different from

the general cost of the whole country: much will depend on the fertility of the soil, where, in consequence of the cultivator being generally the owner, he calculates no rent; much again will depend on the skill with which the whole arrangements and culture are carried on; and again, much will depend on the relative cost at which different men may estimate the value of the other portions of their produce.

It may, however, be useful to quote these calculations, as they appear to be near the actual general cost as deducible from other circumstances. Mr. Jacob dwells very much on the capabilities of Mecklenburg, as being, from its geographical situation and other circumstances, capable of furnishing wheat to this country cheaper than any other.

In the appendix to his report, Mr. Jacob furnishes a copy of a most elaborate and intelligent letter from J. H. Van Thuenen of Tellow, the proprietor and cultivator of one of the finest estates in Mecklenburg. This letter indicates sufficiently how superior this individual must be to the great mass of Continental cultivators, and so far shows how little his estimate can be depended upon as a criterion for the whole.

The price at which he estimates the prime cost of his wheat is 26s. per quarter, allowing no profit to the farmer beyond the interest on live stock and implements, or income to the proprietor beyond the interest on the value of the buildings. And then he adds that, in consequence of the general inferior cultivation, the average cost of all the wheat grown in Mecklenburg is fully 5s. per quarter higher than this calculation, and that the average quality

is 3s. per quarter worse; and that the produce of Tellow is in point of quality 5s. per quarter worse than the average produce of Great Britain. To this must be added the profit of the farmer, the rent of land, the price of conveying to the port, and then 1s. per quarter for skreening, besides the merchant's profit and expenses, to arrive at the price at which it could be put *free* on board a ship.

Mr. Jacob gives another very elaborate statement of the actual cost for an average of years on another estate, furnished by Mr. Canning, Consul General at Hamburg, which shows that, in order to pay a profit of 5 per cent. on the capital invested, to be divided between the farmer and the landowner, 40s. per quarter must be obtained for wheat: this price, we suppose, includes the cost of taking it to the shipping port, which rises very rapidly in proportion to the distance.

In Holstein and Sleswick, Sir C. Echard and Mr. Iverson estimate the net cost of growth at about the same as Mr. Van Thunen; but here the quality is still worse, the best being estimated at least 6s. per quarter worse than the average of British wheat. The expense of conveying wheat to market must depend entirely upon the distance; on this point Mr. Jacob furnishes a very interesting table, founded on the experience of an intelligent and extensive cultivator in Mecklenburg, by which it is shown that the cost of land-carriage of grain is —

For 24 English Miles			3s. 0d.	per quarter.
48	"	"	5	10½ "
72	"	"	8	6 "
96	"	"	11	0 "

And so on in the same proportion, until the expenses incurred in moving this bulky article two hundred and forty miles would absorb its whole value.

We prefer, however, to go more fully into this consideration, by taking the well-authenticated average rates which in these countries have proved sufficient to sustain the actual extent of cultivation which has of late years existed, as on this result we are inclined to place much greater reliance than on any private calculations.

In this inquiry our chief attention shall be directed to the extended territory of Prussia, including Poland, because the exports of grain from that country are three times larger than any other country in Europe.

Fortunately for our subject, this country has a government which has had the wisdom not only to be furnished itself, but also to furnish its whole population, with a more accurate knowledge of their internal resources and condition from time to time than any other country in Europe, by carefully collecting and publishing periodically a statistical view of the progress making in their different internal interests.

Since the year 1816 the Prussian government has watched with great care the average prices of grain.

They are published in the Official Gazette at the end of each month, from the returns made by proper people appointed for the purpose throughout the different provinces. From these returns monthly averages are calcu-

lated for each province; and from these the annual average is ultimately derived. They then calculate the average price of each last fourteen years, in the same way as we calculate the averages of each last six weeks; by every year dropping the first year, and adding the newly-expired year in its place.

This appears so perfect a mode of arriving at the average price for a long period, that we adopt it with the greatest confidence of its accuracy. We feel that any little deviations from precise accuracy, which can ever occur in returns and calculations of this kind, must be so equally balanced on each side, and be spread in this mode of calculation over so extended a surface and quantity, that they can be of no importance in the general result. We therefore present the following tables, containing the above official returns for all Prussia from 1816 to 1837 inclusive.*

* These tables, extracted from the official accounts, were published (along with a very intelligent article on this subject translated from the "Allgemeine Preussische Staatszeitung," Nos. 85 and 86, 1838) in the Journal of the Statistical Society of London, No. VIII., December, 1838.

TABLE, No. 1.

Showing the Annual Average Prices of Wheat per Schöffel, in each Province, for each year from 1816 to 1837 inclusive, in Silver Groschen.

WHEAT.							
Periods.	Prussia Proper.	Posen.	Branden- burg and Pomerania	Silesia.	Saxony.	West- phalia.	Rhenish Provinces
	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.
1816	70 1	78 10	84 9	94 11	96 10	110 7	112 2
1817	100 5	96 10	115 11	106 0	122 6	152 0	165 0
1818	94 3	78 4	101 8	80 7	92 4	103 1	105 9
1819	65 5	60 5	72 11	61 10	61 5	77 10	72 1
1820	51 10	52 1	56 9	55 1	52 3	59 7	65 1
1821	48 8	54 7	54 7	67 5	48 8	62 1	56 10
1822	49 5	54 2	50 9	62 8	50 7	60 4	55 8
1823	46 0	52 2	50 10	57 0	51 10	54 2	58 4
1824	34 9	35 11	38 1	39 10	39 9	36 4	39 9
1825	32 5	32 2	33 10	35 2	33 10	35 0	40 11
1826	35 5	36 0	40 0	39 5	33 5	38 3	44 2
1827	42 4	44 1	49 1	47 10	41 11	55 1	56 7
1828	51 8	51 0	54 6	56 9	56 8	62 7	72 6
1829	61 5	60 1	66 8	58 11	65 8	75 3	76 7
1830	56 3	55 9	64 8	53 9	60 8	77 7	75 11
1831	75 5	78 2	74 9	71 9	67 0	92 11	91 2
1832	64 9	59 8	63 7	51 4	56 10	71 11	63 8
1833	47 6	44 3	44 9	41 2	41 11	50 7	57 2
1834	45 1	43 10	43 9	43 2	39 1	43 8	42 1
1835	43 7	46 9	45 4	49 9	42 1	44 7	48 4
1836	39 8	39 10	43 6	39 9	44 2	46 7	42 0
1837	42 8	44 7	49 3	41 1	47 0	50 11	58 0

TABLE, No. 2.

Showing the Average of nine Periods of fourteen years each, and for the whole Period of twenty-two years, from 1816 to 1837 inclusive, in each Province.

WHEAT.							
Periods.	Prussia Proper.	Posen.	Brandenburg and Pomerania.	Silesia.	Saxony.	Westphalia.	Rhenish Provinces.
Average of	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.
1816-29	52 3	51 3	58 1	58 9	56 1	64 10	66 7
1817-30	50 10	52 0	56 1	56 1	52 11	62 3	63 7
1818-31	50 10	52 0	56 1	56 1	52 11	62 3	63 7
1819-32	50 9	51 11	55 2	54 6	52 1	61 8	63 7
1820-33	49 1	50 4	52 11	52 5	50 1	59 0	62 1
1821-34	48 4	49 7	51 8	51 3	48 9	57 5	60 6
1822-35	47 10	48 9	50 9	49 11	48 2	55 8	59 9
1823-36	46 11	47 4	50 0	48 0	47 6	54 3	59 4
1824-37	46 7	46 7	49 10	46 5	47 0	53 11	59 4
Average of the whole Period...	49 3	50 4	53 5	52 7	50 7	59 0	62 0

TABLE, No. 3.

Showing the Average of each of the Provinces for the nine Periods of fourteen years each, as shown in Table No. 2; and the whole Average of the whole Period. To this and the following Table we have added Rye, Barley, and Oats, for the information of those who may wish it—calculated exactly in the same way as Wheat.

Provinces.	Wheat.	Rye.	Barley.	Oats.
	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.
Prussia Proper	49 3	30 2	21 10	16 3
Posen	50 4	33 1	25 4	19 5
Brandenburg and Pomerania.	53 5	36 2	26 10	21 3
Silesia	52 7	38 0	29 2	21 7
Saxony	50 7	38 3	28 11	21 7
Westphalia	59 0	44 9	33 4	23 9
Rhenish Provinces	62 0	46 6	35 5	23 3
Average	53 11	38 1	28 8	21 0

TABLE, No. 4.

Showing the Average Prices in each of the nine Periods for the whole Provinces, and arriving at the same Annual Average Price for the whole Country during the whole Period, as shown in Table No. 3.

Periods.	Wheat.	Rye.	Barley.	Oats.
	Sil gr. pf.	Sil. gr. pf.	Sil. gr. pf.	Sil. gr. pf.
1816-29	58 5	41 3	31 1	22 8
1817-30	56 3	39 3	29 7	21 9
1818-31	56 3	39 3	29 4	21 5
1819-32	55 9	38 11	29 2	21 3
1820-33	53 9	37 8	28 2	20 8
1821-34	52 6	37 2	27 8	20 4
1822-35	51 7	37 4	28 1	20 8
1823-36	50 6	36 7	27 8	20 6
1824-37	49 11	35 9	27 4	20 0
Average	53·11	38· 1	28· 8	21· 0

It thus appears that the average price, which has been just sufficient to maintain the cultivation in Prussia in its present extent, and in all the necessary ramifications of *landowner, tenant, labourer or serf*, and whatever arrangements they may have peculiar to the country in their mode of cultivation, is for

	Sil gr.	pf.	
Wheat.....	53	11	per scheffel.
Rye	38	1	„
Barley.....	28	8	„
Oats.....	21	0	„

To enable us to pursue our comparison, we will reduce these rates into sterling money per English quarter. The average rate of exchange on London at Dantzg, for

the last few years, has been $203\frac{1}{2}$ sil. gr. per pound sterling.

Then, if $203\frac{1}{2}$ sil. gr. equal 20s. sterling, 53 gr. 11 pf. will be 3s. 3½d. sterling per scheffel for wheat.

Again, if $203\frac{1}{2}$ sil. gr. equal 20s. sterling, 38 gr. 1 pf. will be 3s. 8½d. per scheffel for rye.

Again, if $203\frac{1}{2}$ sil. gr. equal 20s. sterling, 28 gr. 8 pf. will be 2s. 9½d. per scheffel for barley.

And again, if $203\frac{1}{2}$ sil. gr. equal 20s. sterling, 21 gr. will be 2s. 0½d. per scheffel for oats.

An English imperial quarter is equal exactly to $5\frac{1}{3}$ scheffel, so that the average in imperial quarters will be—for

Wheat... $5\frac{1}{3}$ scheffel, at 5s. 3½d., is 28s. 3d. per imp. quarter.

Rye $5\frac{1}{3}$ „ 3 8½ „ 19 11½ „

Barley .. $5\frac{1}{3}$ „ 2 9½ „ 15 1½ „

Oats $5\frac{1}{3}$ „ 2 0½ „ 11 1½ „

These are the average prices thus obtained in a series of years throughout the huge territory of Prussia and Prussian Poland; but, in looking at them in reference to prices in other countries, we must bear in mind that beyond these prices must be added considerable charges, before we arrive at the prime cost on board the ship in any port. The great bulk of the grain grown, especially in Poland, is purchased from the growers, either on their own farms or at their local markets, by the merchants from Dantzic, who not unfrequently make advances on the crops while yet growing on the ground. It is therefore clear that the merchant's profit, as well as all the charges of conveying it, first from the spot of purchase to the nearest navigable river, of loading into craft, of freight and dues in descending the rivers, of landing and warehousing at the seaport, must, in most cases,

require to be added to these averages. Making a sufficient allowance for the fact that a portion of the returns of sales which constitute these averages include some of these charges, it is considered that the smallest calculation on this account must be at least 6*s.* per quarter on wheat, 5*s.* per quarter on barley and rye and 4*s.* per quarter on oats. We believe that this calculation is extremely near the correct amount, because we find that the average price of wheat in the port of Dantzig from 1817 to 1837 inclusive is 34*s.* 4*d.*, which nearly corresponds with this additional charge of 6*s.* per quarter, added to 28*s.* 3*d.*, the average of the whole kingdom.—Thus the average prices in Dantzig, in the following years, were

1817 . . 75 <i>s.</i> 8 <i>d.</i> per quarter.	1828 . . 24 <i>s.</i> 4 <i>d.</i> per quarter.
1818 . . 61 7 "	1829 . . 36 10 "
1819 . . 43 9 "	1830 . . 34 3 "
1820 . . 33 3 "	1831 . . 37 3 "
1821 . . 31 7 "	1832 . . 37 7 "
1822 . . 29 1 "	1833 . . 29 4 "
1823 . . 26 8 "	1834 . . 25 5 "
1824 . . 22 9 "	1835 . . 23 0 "
1825 . . 23 3 "	1836 . . 33 6 "
1826 . . 23 1 "	1837 . . 29 4 "
1827 . . 22 5 "	1838 . . 48 1 * "

Average of the whole period, 34*s.* 4*d.* per quarter.

We thus show that the prime cost, when arrived at the port, before any steps are taken for shipment, is—for

Wheat	34 <i>s.</i> 3 <i>d.</i>
Rye	24 11½
Barley	20 1½
Oats	15 1½

There is another feature in these averages which must

* As near as has been ascertained.

not be lost sight of.—In Prussia and in all parts of the Continent, the quality of wheat and grain generally varies much more than it does in this country, so much so of wheat, that at Danzig one quality frequently is worth 50 to 75 per cent. more than others sold at the same time ;—thus in the first three months of 1837 the prices were—

	1st week in January	27s.	4d. to	40s.	0d. per quarter.
2nd	"	"	27	6 "	40 4
3rd	"	"	27	5 "	40 3
4th	"	"	25	7 "	40 3
1st	"	February	25	7 "	39 9
2nd	"	"	23	9 "	38 5
3rd	"	"	22	10 "	38 5
4th	"	"	23	9 "	38 5
1st	"	March	23	9 "	38 4
2nd	"	"	23	9 "	38 4
3rd	"	"	22	0 "	36 8
4th	"	"	22	11 "	35 9

And this is only a fair example of the usual difference which exists in this respect at all periods.

It is therefore clear that these general averages include a large portion of extremely bad quality and low-priced wheat, altogether unfit under usual circumstances for shipment. If therefore the average price of that quality could be obtained which is fit for shipment, but especially to Great Britain, where the average quality is so vastly superior to that of any other country, we should find a large addition would require to be made to 34s. 3d.; but, however, without taking any advantage of this obvious cause of additional price for such quality, we will consider that we have now arrived at such prime cost of wheat, ready for shipment in a port in Prussia, as will enable that country to sustain its cul-

tivation exactly in the condition in which it is, both in respect to quantity, quality, and the advantages derived by all those connected with its production. As 52*s.* 2*d.* per quarter has proved sufficient in England to bring the quantity of wheat which has been produced to the consumer, so 34*s.* 3*d.* in Prussia has proved to be the exact price to place the average quality of produce of that country in her seaports ready for shipment.

The former is, therefore, the prime cost to the consumer in England, while the latter is the prime cost to the shipper at Dantzic. In order to determine how far the latter could be brought into competition with the former, in case we should have a free trade in corn, without any duty whatever, we will now examine what must be the necessary charges to bring it from Dantzic to the market in England.

In this respect, we have bestowed great care, and derived our information both from Dantzic and London; and, also, have calculated the precise actual charges which many real shipments have shown:—

	Per Qt.
	<i>s.</i> <i>d.</i>
Unhousing, shipping, and export-dues, at Dantzic,	
paid by the shipper there	1 9
Freight and primage	6 0
Sound-dues	0 6
Insurance in winter £5 5 per cent.	
Ditto spring 1 5 . .	
Average . .	6 10
£3 5	at 50<i>s.</i> per
quarter to cover all charges. £100 would be 40½	
quarters, or	1 7½
Carried forward	9 10½

	Per Qr. s. d.
Brought forward	9 10½
Entry and lighterage	0 6
Metage inwards	0 6
Landing	0 4
Warehouse-rent, and insurance against fire for six months, at 5s. per 100 quarters per week, or .	1 3
Turning for six months, at 1s. 6d. per 100 quarters per week, or	0 4
Loss in quantity, and damage from the time of shipment at Dantzic, until sold after lying six months in granary, 3 per cent., at 50s per quarter, is	1 6
Factorage for sale, and <i>dilcredere</i> , 1s. per quarter, and 1 per cent. on the sale, at 50s. per quarter, is 6d.	1 6
Metage, portion paid by seller	0 4
Delivering	0 3
Interest of money for nine months, including the voyage, and the customary credit given on wheat, at 50s. per quarter, at 5 per cent. per annum . .	1 10½
	<hr/> 18 3 <hr/>
	s. d.
Of which is paid by the shipper	1 9
And by the purchaser	16 6
	<hr/> 18 3 <hr/>

In this calculation we have assumed that the wheat shall lie six months in warehouse on an average, which must be considered a very moderate time, in the case a regular trade should be carried on between the Continent and this country, free at all times. We believe the average would be much longer, but will rather err in being too moderate than in being extravagant. These charges

are the *nett* cost without any profit to the *merchant* shipping from Dantzic, or without any commission to the merchant in London, to whom it might be consigned, without which, it is quite clear, no trade would continue to be carried forward.

If between the house at Dantzic and the house in London, to cover their necessary expenses, and to yield them a remunerating profit, we allow 5 per cent. on the amount, we think we shall not be blamed for extravagance in this respect; and those who know the risk, trouble, and advance of capital, needed to conduct such a business, will be convinced that, at this rate, the trade would be neglected. So that, if we add to the prime cost these charges, we shall bring the Prussian wheat into the posture of competition with British-grown at a seaport, thus :

	s.	d.	
Prime cost.	34	3	per qr.
Shipping, lauding, warehousing for 6 mo., and selling	18	3	,,
5 per cent. profit or commission on 50s. per quarter, between the merchant in Dantzic and in England	2	6	,,
	<hr/>	<hr/>	
	55	0	,,

The quality of the wheat shipped from Dantzic to this country may be considered as about equal in value to the average quality of our home-grown wheats; but the average quality at Dantzic of all the wheat, of which 34s. 3d. is the average price, must be at least 6s. to 8s.

per quarter worse than the average of British wheats; for it must be borne in mind, that only the better qualities are shipped to this country in general, and when the inferior qualities are shipped, by a great pressure for the article, they are not only worth much less here, but they entail much greater expense, in skreening, kiln-drying, &c.; and they are subject to much greater decay and loss. It may be remarked, perhaps, that a great number of the charges to which we have submitted Dantzic wheat, included in the 18*s.* 3*d.*, must also be borne by home-grown wheat: true, they must; but it must be kept in mind, as we have before shown, that the average price of 52*s.* 2*d.*, obtained for English wheat during the last seven years, not only includes all these charges, but an immense train of other charges, having their origin only in the existence of a prohibitory and protective law.

After all the fear and apprehensions of the ruinous low prices which an admittance of Continental wheat would entail on this country, we find, on the average of years, that the prime cost of importing it from the richest, cheapest, and most extensive wheat-growing country on the Continent, would have been at least 2*s.* 10*d.* per quarter higher than the actual average price obtained in this country, with the strictest prohibitory law. But we have only brought the two into competition at the port of arrival. As we recede from the port into the country, with English wheat, the charges become smaller and smaller, but, as the foreign competitor would advance from the port into the interior, his charges would

become greater and greater, and his ability to compete sensibly decline.

If this be true with respect to wheat, which we submit we have clearly proved, then, with respect to all the inferior articles of produce, it must be much more true : the high charges which we have pointed out would bear more heavily on all the others just in proportion as they are of lower value. If any article of agricultural produce could support such *taxes*, wheat is that article, as bearing, in a given weight and bulk, a higher value than any other. It would, therefore, only be tedious to go through the same calculations with rye, barley, and oats.

Thus it becomes an indisputable fact, that, had the state of our laws for the last twenty years been such as to have maintained the price of wheat at the actual average price of 52*s.* 2*d.* which has been received, no wheat could have been grown in Prussia for this country ; either must the prices have risen here above 55*s.*, or must the cost of production have been materially curtailed in Prussia. This, perhaps, might have been done to a small extent by throwing out the worst portions of land in cultivation, and retaining only a small portion of the best ; but this would have curtailed their surplus quantity produced, which at most is very trifling. The difference of the two prices of 2*s.* 10*d.* in London, although not so large apparently on 52*s.* per quarter, yet is very large on 28*s.* 2*d.*, the original cost in the country, and, as it would require to be all saved in the act of production, it would be all chargeable on that low price, or even

a lower one,—viz. the actual price received by the farmer.

The result of this investigation differs so widely from the generally-received opinions, that it appears needful to bring not only all the facts and arguments immediately connected therewith to reconcile the common prejudices with the truth, but, also, whatever may remotely tend to confirm our propositions so far proven,—viz., that no part of the Continent of Europe can carry on a successful competition with England in the growth of wheat for her own home consumption, supposing the relative condition and value of property, in both cases, to continue exactly as they have been for some years past, fixed by the combination of the laws and circumstances which have existed.

Fortunately this is not an untried question : the history of the past century furnishes some very satisfactory experience on this head.

During the first seventy-three years of the last century a bounty of 5s. per quarter was given by law on all wheat exported whenever the average price was at or below 48s. per quarter, and importation almost prohibited.

It must be admitted that this bounty could not be sufficient to pay the charges of taking wheat from this country to the Continent, but still we find that during this period England was the largest wheat-exporting country in Europe.

The following table will show the exports from Great Britain and Dantzic during this period, by which it will be seen how much the former exceed the latter.

Years	Exported from Dantzic	Exported from Great Britain.		Years.	Exported from Dantzic.	Exported from Great Britain.			
	Wheat.	Wheat.	Barley.		Wheat.	Wheat.	Barley.		
War.	Qrs.	Qrs.	Qrs.	Peace.	Qrs.	Qrs.	Qrs.		
	1700	33,346	49,036		25,896	1737	30,500	461,602	23,669
	1701	34,686	98,323		21,953	1738	49,901	580,599	70,689
	1702	43,892	90,230		16,280	1739	92,192	279,542	54,447
	1703	33,895	106,615		71,523	1740	164,131	54,390	24,086
	1704	52,148	90,313		30,729	1741	93,224	45,416	6,618
	1705	64,532	96,185		21,386	1742	56,330	293,259	11,482
	1706	73,981	188,332		10,221	1743	53,212	371,431	34,995
	1707	65,531	74,155		4,771	1744	53,879	331,984	20,090
	1708	98,180	83,406		29,937	1745	24,886	324,839	95,878
	1709	83,173	169,679		40,512	1746	24,037	130,646	158,719
	1710	38,119	13,924		5,714	1747	47,762	266,906	103,143
	1711	46,429	76,949		8,412	1748	98,943	543,387	73,857
	1712	79,238	145,100		19,838	1749	113,789	629,049	52,621
	1713	130,698	176,227		52,542	1750	99,502	947,603	224,500
	1714	48,816	174,821		18,579	1751	202,588	661,416	32,698
	1715	10,900	166,490		5,079	1752	191,307	429,279	106,332
	1716	19,543	74,926		14,857	1753	147,286	299,608	67,049
	1717	37,066	22,953		18,435	1754	131,118	336,270	47,776
	1718	23,822	71,800		7,139	1755		237,466	381,659
	1719	54,728	127,762		9,649	1756	82,581	102,752	269,949
1720	37,496	83,484	4,505	1757	183,094	130,017	57,511		
1721	59,824	81,432	11,607	1758	87,451	11,119	1,504		
1722	67,757	178,880	37,528	1759	87,612	227,367	208,797		
1723	98,846	157,719	45,780	1760	116,619	393,614	291,150		
1724	96,804	245,865	10,298	1761	68,230	441,956	413,891		
1725	123,270	204,418	13,782	1762	55,911	295,385	423,064		
1726	98,018	142,183	20,017	1763	127,258	429,557	215,681		
1727	41,764	30,317	8,688	1764	181,299	396,888	246,891		
1728	92,998	70,757	11,547	1765	190,393	167,136	251,927		
1729	904,142	21,322	12,551	1766	145,619	164,939	95,115		
1730	113,455	93,970	14,982	1767	151,424	5,071	18,700		
1731	116,315	130,025	13,562	1768	197,789	7,433	6,587		
1732	74,476	202,058	13,874	1769	124,775	49,892	29,825		
1733	115,218	427,199	37,598	1770	269,158	75,449	170,409		
1734	103,318	498,196	70,224	1771	181,417	10,089	34,193		
1735	86,409	153,333	57,520	1772	159,917	6,959	11,031		
1736	25,187	118,170	6,860						

Barley and Mail.

Barley and Malt.

With this trifling encouragement, we exported more wheat than we ever imported on an average of years. There is no doubt that the bounty on export gave a great and perhaps unprofitable stimulant to production, but, still, during the whole period of its existence, our farmers con-

tinued to be large exporters; now, if this bounty was not sufficient to pay the charges of export, it is clear that, when the British wheat arrived on the Continent, it had even to encounter the disadvantage of bearing a considerable charge above the bounty given; and, if it was able to bear this charge and compete with the growth of the Continent, how much more could the former compete with the latter if retained at home, without any additional charge, while the foreign would have to come here at a considerable cost.

From 1697 to 1773 only seven years occurred in which England did not export more wheat than she imported, by the aid of this small bounty. In four years the average annual export was 1,200,000 quarters, and in one year (1750) it amounted to 1,667,000 quarters; for the whole period the average annual exports exceeded the imports by rather more than 200,000 quarters.

But the experiment was carried still further in aid of our argument. In 1773 an act was passed abolishing the bounty on export, except when wheat was under 44*s.* per quarter, and allowing imports on the most liberal terms ever acknowledged by the English law,—*viz.*, at 6*d.* per quarter duty when wheat should be 48*s.* per quarter or higher.

The result of this was that Great Britain was still enabled to export wheat. In ten years out of the next twenty years following the enactment, our exports still exceeded our imports,—the following being the quantities of

wheat and flour exported and imported in each of these years:—

Years.	Wheat and Flour. Great Britain.		Barley and Malt Great Britain	
	Imported.	Exported.	Imported.	Exported.
	Quarters.	Quarters.	Quarters.	Quarters.
1773	56,857	7,637	63,916	2,475
1774	289,149	15,928	171,508	2,911
1775	560,983	91,037	139,451	51,414
1776	20,578	210,664	8,499	136,114
1777	233,323	87,686	7,981	142,725
1778	106,394	141,070	42,714	103,930
1779	5,039	222,261	7,085	85,777
1780	3,915	224,059	352	191,563
1781	159,866	103,021	56	150,468
1782	80,695	145,152	13,592	127,744
1783	584,183	51,943	144,926	54,065
1784	216,947	89,288	77,182	66,889
1785	110,863	132,685	67,212	166,448
1786	51,463	205,466	62,374	111,598
1787	59,339	120,536	43,244	135,089
1788	148,710	82,971	11,479	212,811
1789	112,656	140,014	11,128	345,685
1790	222,557	30,892	29,718	50,966
1791	469,056	70,626	61,134	41,590
1792	22,417	300,278	118,526	49,131

It will be observed that both these laws failed in the effect intended by the framers—the object of the former being evidently to maintain a high range of prices, by not only securing the entire home consumption to the British grower, but by affording him the assistance of a bounty to export his surplus stock: the object of the

latter was as evidently intended to admit a more free supply, which it was naturally expected would reduce the prices; and by the opponents of the measure it was strongly urged that by its operation this country would be deluged with Continental wheat: but, like almost every effort of government to control and influence such matters, the result was, in both cases, the reverse of what was intended. By the encouragement of the bounty production was stimulated so much, that in one year, 1743, the whole average price of wheat was only 24*s.* 10*d.* per quarter, and in several years it did not reach 30*s.* Complaints at that period were greater than at any other from the landed interest, and, perhaps, with better reason. When this encouragement was withdrawn, and the English market opened to a free competition with the Continent, a more prudent cultivation appears to have been adopted; prices, instead of being lowered, gradually advanced, but it was not until that advance had become considerable that the Continental grower was enabled to send any very important quantity of wheat to this country.

It is extremely worthy of remark, that the average price during the thirty-two years that this law continued in operation* is shown to be 2*s.* 2*d.* per quarter higher than the average of the last seven years, and 11*s.* 11*d.* per quarter higher than the average of the thirty-two preceding, with the assistance of the bounty on exports and prohibited imports. The following table shows a comparative view of the range of prices during these two periods.

*By a slight alteration in the law, in 1791, the price of admission at 6*d.* per quarter was raised from 48*s.* to 54*s.* per quarter.

Average, No. 1.			Average, No. 2.		
Years.	s.	d.	Years.	s.	d.
1772	50	6	1773	51	0
1771	47	2	1774	52	8
1770	41	4	1775	48	4
1769	45	8	1776	38	2
1768	60	6	1777	45	6
1767	64	6	1778	42	0
1766	43	1	1779	33	8
1765	52	0	1780	35	8
1764	46	9	1781	44	8
1763	40	9	1782	47	10
1762	39	0	1783	52	8
1761	30	3	1784	48	10
1760	36	6	1785	51	10
1759	39	10	1786	38	10
1758	70	0	1787	41	2
1757	60	0	1788	45	0
1756	45	3	1789	51	2
1755	33	10	1790	53	2
1754	34	8	1791	47	2
1753	44	8	1792	41	9
1752	41	10	1793	47	10
1751	38	6	1794	50	8
1750	32	6	1795	72	11
1749	0	0	1796	76	3
1748	27	0	1797	52	2
1747	34	10	1798	50	4
1746	39	0	1799	66	11
1745	27	6	1800	110	5
1744	0	0	1801	115	11
1743	24	10	1802	67	9
1742	34	0	1803	57	1
1741	46	8	1804	60	5
Average of the whole period, 42s. 5d.			Average of the whole period, 54s. 4d.		

- 1.—Average price of wheat in Great Britain in each year of the thirty-two years preceding 1773, when a bounty was given on exports and strict prohibition against imports.
- 2.—Average price of wheat in Great Britain in each year from 1773 to 1804, when the bounty was repealed, and importation allowed at 6d. per quarter duty, when the average price should not be below 48s., and, from 1791, 54s. per quarter.

The experience of these two periods proves not only the total inefficiency of any government interference to control or influence production or prices, but it also proves again that the landed interest of this country has no competition to fear, except that of its own over-excited and stimulated power put forth to an extravagant extent to catch the phantom advantages held out by protective laws. There never was a time of surplus stock and low prices which proceeded from any other cause. During the thirty-two years that our trade was free, there was surely abundance of time for the continental countries to take all the advantage of the privilege, if it had proved really a profitable one. The prices in Dantzic during this period were not higher, relatively with those in England, than they have been during the last twenty years. A comparison of these prices may be very useful to show what really is the great difference which the mere charges of transport must ever entail, and for some difference of quality; and we have every reason to believe that in the market of a free trade now, the same, if not a greater difference, would continue to exist between the prices in England and Dantzic; for the average quality of English wheat has improved during the period that has elapsed since 1804, much more than the produce of Prussia. This is an additional evidence of what we think we have already successfully proved, that with wheat in England at the average price of the last seven years, viz. 52s. 2d. per quarter, and wheat in Dantzic at the average price that has ruled there of late years, no trade could be profitably carried on between the two places; no continental country could to any extent come to this country.

The following are the average prices of wheat in England and Dantzic, during this period of free trade:—

Average price of wheat 1773 to 1804.	In Engla .	At Dantzic.	Average prices of wheat 1773 to 1804.	In England.	At Dantzic.
1773	51s. 0d.	35s. 8d.	1789	51s. 2d.	43s. 8d.
1774	52 8	32 1	1790	53 2	40 4
1775	48 4	33 11	1791	47 2	00 0
1776	38 2	27 6	1792	41 9	29 0
1777	45 6	22 4	1793	47 10	32 0
1778	42 0	23 9	1794	50 8	36 0
1779	33 8	21 10	1795	72 11	57 9
1780	35 8	19 4	1796	76 3	54 3
1781	44 8	24 9	1797	52 2	33 1
1782	47 10	26 3	1798	50 4	32 10
1783	52 8	27 5	1799	66 11	46 10
1784	48 10	28 10	1800	110 5	73 9
1785	51 10	30 2	1801	115 11	78 11
1786	38 10	29 2	1802	67 9	53 5
1787	41 2	29 2	1803	57 1	46 3
1788	45 0	29 1	1804	60 5	53 3
Average of the whole period 54s. 4d. 37s. 2d.					

There therefore existed during this period of free transportation an average difference of price between England and Dantzic of 17s. 2d. per quarter; and we have already shown that of late years, with the strictest attempt ever made to exclude continental wheat, the average difference has only been 17s. 10d. per quarter.

If any farther evidence were required to prove that the continent of Europe cannot supplant our home-growers in

the supply of grain for the consumption of this country, we must claim attention to a case exactly in point existing at the present time, and which may be fairly cited as an experiment of a free trade in corn for the whole of Great Britain.

The islands of Guernsey and Jersey, ever since they belonged to this country, have had the privilege of exporting their produce, of whatever kind, to the English market at all times free of any duty, and at the same time of importing whatever they please, from wherever they please, free of any duty whatever, except a small local duty levied chiefly on spirits.

These islands, although very fertile, and producing a large quantity of the finest grain, do not grow sufficient for their whole consumption, and they are obliged at all times to import largely of continental grain. Now if the general impression had any foundation in truth, that wheat could be imported so much cheaper from the continent than the prices paid in this country, it would follow as a matter of certainty, that the sharp and intelligent merchants of these islands would send every bushel of home-grown corn, to secure the high prices of the London market, and import from the Baltic as much more as would make up this quantity. The expense of sending wheat from these islands is not greater than from Lincolnshire, Yorkshire, or Northumberland; but if to either of these counties this privilege was given, with the present opinions on the subject, the imaginary value of land would be greatly increased; the whole of the grain would be sent to London, or other parts of England not possess-

ing such privilege, and whatever was required for the consumption of the county would be brought from the continent :—What would be the profit? We will consult those who have long had the experience, and we will consult them by the surest test; their actions, dictated by a free exercise of their own will to direct their own interests.

It may perhaps be remembered that during the extreme depression of the agricultural interests in the winter 1833-34, when the accumulating surplus stock of home-grown wheat pressed with great severity on the markets, those interested in its growth could with difficulty believe that the home production alone could have had such an influence: this gave rise to many rumours and surmises that foreign grain had been introduced in large quantities through the Channel Islands under an abuse of this privilege. For political purposes this surmise was encouraged by many, and a charge preferred against the government of the day, of having encouraged such illicit imports. During the short period that the present government were out of office, in that winter the charge was again and again repeated by their opponents in the agricultural districts; so much so, that as soon as parliament met the matter became a subject of investigation, and the necessary returns were ordered which could throw any light on the matter.

What was the result? These fine islands, with all their privileges, had shipped between them in *three* years, 1831, 1832, and 1833, eight thousand six hundred and thirty-three quarters of wheat to all England: viz.

	Guernsey and Sark.	Jersey.	Total.
	<i>Qrs.</i>	<i>Qrs.</i>	<i>Qrs.</i>
1831	183	1233	1418
1832	32	1873	1905
1833	1326	3984	5310
	1543	7090	8633

or an annual quantity of 2877 quarters; and by reference to the first table, it will be seen that the difference between the prices in England and at Dantzic during these years, were more than usually encouraging for such an operation; but the enormous expenses attending the movement of this bulky article always has, and always will continue to render this privilege a dead letter as far as grain is concerned, and so it would in England if the same privileges were possessed, and an entirely free trade in corn adopted. It may just be observed, that notwithstanding the free introduction of all continental produce, the value of land is higher in these islands than in any part of England, the average rent being 2*l.* to 2*l.* 10*s.* per vergee, or 4*l.* 10*s.* to 5*l.* 12*s.* 6*d.* per English acre.

"It has therefore only been the mere accidental chances which the fluctuating effects of our Corn Laws have produced, that the continental countries have been enabled to send their accumulated surplus produce to this country at moments of extreme high prices,* and therefore what

* "The hope of admission to the English market at extreme high prices induces the continental farmer to raise a greater quantity than he would do."—*Von Theunen's Letter to Mr. Jacob.*

little competition the home-grower has felt with the continental grower may be fairly said to have resulted only from the operation of the law intended for his entire exclusion.

Having thus fully examined the price at which the continental grower could come into competition with the home-grower, we shall now, as proposed, consider the extent to which he could do so, even though the present relative cost of production enabled him. On this point, as we have already seen with regard to price, the most extraordinary exaggerations have been circulated. In order to support the exaggeration of low prices, exaggerated quantity was quite needful, both parties to the question have agreed thereon; the agriculturist insisted that the weight would be intolerable and crushing, the quantity inexhaustible. The opposite party saw the field of plenty through an equally magnified vision: what one dreaded for its abundance the other courted and sighed for, as having only that quality to recommend it. Every inducement which tended on both sides to diminish the cost of production, tended at the same time to exaggerate the quantity produced, for exactly in this proportion was it to be feared by the one party or sought for by the other. We shall now endeavour to arrive at the real facts of this most important part of our consideration.

On this subject Mr. Jacob, in his Report before alluded to, gives much valuable information.

In page 80 he shows that the whole export for the preceding ten years, from Hamburg, had amounted to

675,774 quarters, and that of this quantity there had been imported into Hamburg—

	<i>Quarters.</i>
By sea	51,766
By craft ascending the Elbe	116,754
By land from Holstein	73,062
	<hr/>
	241,582
	<hr/>

leaving 434,192 quarters as the surplus of the wheat on both banks of the far-stretching Elbe above Hamburg, after deducting the consumption of the city for ten years, or 43,419 quarters annually.

With respect to Prussia, in page 99, it appears that, independent of what is sent from the Rhenish provinces to the Netherlands and there consumed, and the produce of Magdeburg and the provinces adjacent to the Elbe, which is sent down that river to Hamburg, and forms part of the supply of that city, the whole exports of Prussia in nine years amounted to 1,971,577 quarters, or to 219,064 quarters annually. He says, "this amount comprehends the whole of that which descends by the several rivers from Poland;" which quantity he estimates at 140,000 to 150,000 quarters annually, as part of the 219,064.

From the duchies of Mecklenburg the annual exports in twelve years had been 66,456 quarters, through the ports of Rostock, Wismar, and Boitzenburg.

From Denmark, including Holstein and Sleswick,

the annual exports for seven years had been 104,768 quarters.

The exports from Bremen appear to be very trifling, being only estimated at 1850 quarters annually. So that the annual rate of exportation, or, in other words, of *surplus produce*, is thus shown to be, from

	Quarters.
Hamburg	43,419
Prussia	219,064
Mecklenburg	66,456
Denmark	104,768
Bremen	1,850
Total	<u>435,557</u>

This shows the total annual amount which these countries had furnished to all parts of the world during those respective periods. It must be borne in mind that the surplus produce of these countries, whatever it may be, is occasionally taken for every country where from any cause a scarcity prevails. Spain, and the south of France, take less or more every year; Holland also takes annually a portion of the shipments from the Baltic ports, independent of what she takes from the Rhenish provinces of Prussia. The United States and British America two years ago took very largely from these and other continental countries to make up the deficiency of bad harvests and neglected cultivation. The West India islands, the Brazils, and a large portion of the rest of the South American continent, are dependent on these countries less or more, especially in years when a deficiency exists in the United States, which generally,

when they are well supplied, furnish these countries with flour. When all these claims are considered as bearing on so small a quantity, what portion could annually be allotted to England?

As with regard to price, so with regard to quantity, Prussia is by far the most important country for our consideration.

The following table, derived from the best official sources of the whole exports of wheat from all the Baltic ports of Prussia, in each of the following years, may be relied upon as perfectly accurate:—

1819	155,055	quarters	} Report on foreign corn, ordered to be printed by the House of Commons, 14th March, 1826.
1820	464,744	"	
1821	194,840	"	
1822	78,316	"	
1823	121,692	"	
1824	93,630	"	} Officially communicated from Berlin to His Excellency Baron Bulow.
1825	219,290	"	
1826	373,444	"	
1827	270,576	"	
1828	614,453	"	} Page 570. Part 3d of the Tables compiled by the Board of Trade from official documents.
1829	553,933	"	
1830	707,100	"	
1831	380,731	"	
1832	362,177	"	
1833			
1834	107,341	"	} Official reports from Dantzic, Königsburg, and Stetin.
1835	62,841	"	

16 years 4,760,163

297,510 quarters annually.

This quantity comprehends the whole of the surplus produce of Prussia and Prussian Poland. The Prussian wheat generally is inferior in quality to the English, and forms about one-third of the whole quantity. The Polish wheat may therefore be estimated at about 200,000 quarters annually, of which about 150,000 quarters are of the finest white quality, and which alone, of all the wheats produced on the Continent, is equal to our best English produce. These proportions agree nearly with Mr. Jacob's statement in his Report, and also with all the information we can collect from practical men.

It remains that we should notice Russia as having contributed in some years of scarcity to supply our markets. Very little is known of the extent of cultivation, except that a large quantity of very inferior wheat is grown, which in usual times is quite excluded from the English market, for two reasons : first, on account of its inferiority in quality ; and secondly, on account of the great expense of bringing it to England. These remarks apply with greatest effect to the shipments from the ports in the Black Sea. We find that for ten years, 1820 to 1829 inclusive, the whole quantity of wheat furnished from all Russia to this country was 535,687 quarters, or on an average annually 53,568 quarters.*

In endeavouring to form a careful estimate of the exact available surplus produce of wheat in the present state of European agriculture, it is needful to guard against an error of confusing the amount of produce raised in the countries from which the shipments are made with the produce of other countries, which has been imported and

* See Note II. at the end.

then re-shipped to this country. For example, considerable portions of the exports of Hamburg, Antwerp, &c. are first imported from the Baltic and Black Seas, and consequently enter into the computation of the respective countries from which they are originally brought.

There is still a more important feature in this consideration which claims our particular notice. We have already sufficiently noticed the fluctuations in our prices for the last twenty years, by which the foreign grower has been enabled to send his produce to this country at the high periods. At these periods prices have ranged from 70s. to 80s. per quarter, and these high prices have enabled us to import wheat profitably from a much more extended radius of country than could possibly be the case if the price of wheat were at the real average price of a range of years, 52s. 2d. per quarter. We have already shown that it would be with great difficulty that the nearest and most productive countries could send their produce to this market at this average price, much less could the many distant countries from which we derive large supplies at these extreme high prices. At a period like the present, the demand for this country raises the prices to such an unusual rate in the continental ports, that supplies are procured from very distant inland places, which in usual years, at usual prices, could furnish nothing; the expense of transport would absorb the whole price in ordinary times. Except at these extreme high prices it would, for example, be impossible to import wheat from the ports in the Mediterranean or Black Seas; and even from the Baltic ports the quantities are much increased by the same cause. It must be quite clear, that just in proportion to the highness of the

price, must the radius of country from the ports be extended which can furnish supplies; and as the price diminishes this radius must also diminish.

By the present system our prices are for a period so low as to admit no foreign wheat at all; then they are so high as to admit the whole accumulated surplus from an immensely extended surface. If they were uniform we might take annually, in regular proportions, a part of the finest quality (which alone could bear the cost of transport) of the produce of a limited surface, which at present we take irregularly in an accumulated form, and in addition thereto the produce of distant districts which could otherwise never reach us. As these distant supplies enter, at present, into the general average consumption of this country, one of the effects of the present Corn Laws may, therefore, be said to bring much more extended and distant countries into competition with the British farmer than could otherwise be the case.

But even taking all the advantages which these high prices afford to very distant places to add to the quantity available for this country, it is quite impossible to show that the total quantity of continental surplus has reached on an average 700,000 quarters annually.

If we estimate the outside average capabilities at present of each country as follows—say

Prussia . . .	300,000	quarters.
Mecklenburg . .	80,000	"
Denmark . . .	100,000	"
Russia . . .	100,000	"
Hamburg . . .	80,000	"
	<hr/>	
	660,000	

we considerably exceed what all the official accounts show them to be, and yet the aggregate amount, suppose it all sent to this country, would not exceed four per cent. of our annual consumption, or about the entire supply of two weeks in each year. The actual average annual quantity of foreign wheat and flour taken into consumption in Great Britain for nineteen years, from 1817 to 1835 inclusive, and which embraces the five most extensive years of import that have occurred in the present century, was only 532,237 quarters, and this includes the whole imports from our own colonies.

These facts cannot fail to show how exaggerated have been the representations as to the capability of the continent to supply wheat, as well in price as in quantity. Suppose the whole of the above quantity were annually brought to this country, it could not in any sensible way affect the general price of sixteen or seventeen millions of quarters. If any difference did exist in the rate at which this quantity could be brought to this market favourable to the continental grower, (which we have sufficiently shown does not) even then his small quantity could not make the price for our large quantity, but our large quantity would make the price for his small quantity.

It will appear by the whole of these arguments that, compared with any other country, Great Britain is not more extensively and strikingly a manufacturing than a corn-growing country; and that the advantages which we possess in securing higher prices arise from natural causes, the result of our peculiar condition, and not from the attempted interference of the law. In the next pro-

position we shall have to examine how these two leading interests co-operate in favour of each other.

But it may be urged that had we a free trade in wheat the small surplus quantities at present produced on the continent might be increased so as to become a formidable quantity. On this point exaggeration has done as much as in the two points already discussed.

In examining the price at which continental wheat could be furnished to this country, we have taken it in the exact state in which production has existed in every respect of late years, and we have taken the price which they have actually received, as the best possible evidence of the exact price which, on the average of years, has enabled them to produce the exact quantity which they have done: nothing can be more plain than that the amount of production must in every country be determined by the price received for the produce. If prices rise, an increased production must follow; if they fall, a diminished production must be the consequence.

If therefore we have shown that in the event of such an alteration taking place in the English Corn Laws as would by free and natural competition keep prices steady at the average rate of late years, 52s. 2d. per quarter, the continental growers could not send their produce to this country at a profit on the average prices, which they have received, and which average prices have determined the extent of their production; then, as before shown, the surplus produce would necessarily be diminished instead of increased. The large portion which under the present

mode is held by speculators for the moment when 60*s.* to 70*s.* per quarter is paid for it to supply a case of exigency, could not be raised to be sold at a price below 34*s.* 3*d.* per quarter ; which we have shown would be needful to enable them to send it to England, even free of duty, to compete with our average price. Either must it be shown that, with our average price, the price obtained on the Continent would be higher than it has been, or it is evident that production could not increase. It cannot, for one moment, be supposed that all the lands best suited both in quality and local position for raising wheat for shipment, are not at this moment in cultivation ; there are therefore only two modes by which the cultivation can be increased ; first, by the application of more capital and labour to force the production of the lands at present in cultivation, or by taking into cultivation inferior lands, either in point of quality of soil, or more distant points from the shipping ports or markets : but in which ever case this might be accomplished it could only be done at an increased cost of production. If, therefore, an increased price was not obtained, it is quite evident the attempt could only be momentary. If, we again repeat, the average price in England is too low to admit the continental grower, even though free of duty, to pay him at his present cost of production, it requires no argument to show that, if he attempted to increase his production in the only way he could by increasing his cost, he would be still farther disabled for competition with the grower in this country.

The only case, therefore, in which we can suppose it possible that an increased production would take place on the Continent, is by supposing that their prices

would improve, which might be effected either by a material general advance on the prices in this country, or by the more likely cause, an increased prosperity and consumption amongst themselves.

The former cause could not exist without first and most particularly benefiting the English grower: nor could the latter cause exist without benefiting him in an indirect manner in common with the whole community.

It must also be borne in mind, that even though an attempt should be made to increase the production of the continent, it could only be the surplus of that production which could, at *any price*, be available for exportation. For example; in order to double the quantity of grain available for exportation, it would require that the whole cultivation should be doubled, or even more: for, in the first place, the labour of production must be sustained, which would consume as large a portion of the increased produce as it does of the present quantity, and in all probability a larger proportion, for such an increased demand for labour which would necessarily be called into existence by such an attempt, could not fail to advance wages so much, that not only would the labourers be multiplied in proportion to the increase, but their condition so much improved that their individual consumption would be greater in proportion than it now is; and this circumstance in its turn could not fail again to add to the general cost of production, and render it still more difficult for the grower to send even the surplus to this market.

In the former proposition we sufficiently discussed the whole train of evils which attend the landed interest, by

the operation of the present corn laws, and we think it must be admitted that we have discovered no counter-acting benefit in the second proposition. We have discovered no real advantage or protection which has been conferred beyond what the local position of the English agriculturist will ever secure to him; beyond which it is utterly impossible for the law to afford him any advantage whatever, as long as the internal resources of the country are able by internal competition to supply the whole wants of the nation. Let the imaginary price be fixed by law at whatever rate it may, be it 72s., 80s., or 100s. per quarter, it could have no effect in securing one shilling more than the free internal competition of the home-growers found to be the remunerating rate of production; to that extent it would be pushed, and by an unerring law, the average price would be just sufficient to produce the required quantity, but with the enormous disadvantages attendant on fluctuation. The great and general advantages of equal prices will only be secured by a free and unrestrained trade; when a confidence can be felt by the parties interested therein, that any slight fluctuations which momentary and temporary causes might create, would soon pass away, and thus confidence would become general to maintain an equality of price by fair and legitimate support, and speculative purchases by the regular dealers, of which, in the present uncertain state, the trade is entirely deprived.

The only circumstance which can ever drive wheat out of cultivation in this country, will be when land shall be-

come too valuable for this purpose. As, for example, in the immediate neighbourhood of London, Manchester, &c. land is at present too valuable for growing wheat, so a time may arrive when, by the increased prosperity and population of the country, a larger portion may be similarly circumstanced.

Although we have seen how expensive the transport of wheat is from one place to another, yet it is the least expensive of any article of agricultural produce, because it contains in a given weight and bulk a greater value than any other article. It will therefore always be more profitable to remove wheat from a distance, to supply a neighbourhood or district, than barley, oats, hay, or turnips, or the first produce of the dairy. In consequence of this fact, we find that while hay fields and pasture fields continue round large towns, the cultivation of wheat is moved to a distance.

As this movement could only take place by greatly increasing the value of land, and especially the value of the land which it is one to which the landed interest could never be averse, and with which the whole community could only be well satisfied, as the result of its general and extended prosperity.

We have not considered it needful to allude in particular to the interest of the land-owners in this proposition, it being so inseparably mixed up with the general consideration of the agricultural interest. With respect to rent, we would, however, just remark, that if the farmer

is protected by natural causes and local situation alone, to the extent of 18s. 3d. per quarter for wheat, and if an acre of land produces three quarters of wheat, then must the landlord's interest, in point of rent per acre, be very largely protected from the same cause.

PROPOSITION THE THIRD.

That while incalculable benefit would arise to the manufacturing interest, and the working population generally, in common with all classes of the community from the adoption of such policy (a free trade in corn), nothing can be more erroneous than the belief that the price of provisions or labour would, on the average, be cheapened thereby, but that on the contrary, the tendency would rather be to produce by a state of general increased prosperity a higher average rate of each.

Most of the considerations which arise out of this proposition have been directly or indirectly referred to already. In the first proposition, the baneful influence of the present system has been alluded to; and, in the second proposition, the question of cheaper provisions being the result of an alteration in the system, has been set at rest.

As far as the distinct benefits which would result to these interests in such case are to be considered, we will divide them into two heads:—first, that which would be derived from a uniformity in the prices of provisions as particularly affecting the labouring classes; and, secondly, the general advantages which would result from an improvement, so great in the condition and interests of so large and important a portion of their customers as the landed interest constitutes. But before pro-

ceeding to these considerations, it will be necessary to notice a popular and general error, to which the exaggerated notions respecting the price at which wheat could be furnished by the continent in case of a free trade, have necessarily led the public.

By the whole tenour of the arguments urged by the manufacturing interest against these impolitic laws, it appears that they consider, first, that the high price of labour in this country, as compared with the continent, is only the result of a higher price of provisions; and that the lower price of labour on the continent, consequent on a lower price of provisions, is the chief cause of whatever progress these countries have made in the arts and manufactures. These opinions we believe to be wrong, both as regards the facts and the principles deduced.

If we have proved anything in the second proposition, it is that, on the average, provisions would not be cheaper if we had a free trade than the internal competition of our own resources and means has furnished them, and therefore, though their price did regulate the price of labour, that commodity could not be cheaper.

But while we must admit that, in all cases, the price of provisions enters as one of the measures of the price of labour, and in some cases as the chief measure—yet it is by no means the only measure; and in respect to the particular description of labour of which we now treat, we believe it to constitute a most unimportant and trivial portion.

If the price of provisions were the sole or chief measure of the value of labour in all cases, then it would necessarily follow that its price would vary in different places, just in proportion as the price of provisions varied. That in the same place, at the same time, the price of all kinds of labour would be exactly the same; and that everywhere the real condition of the labourer, in respect to the amount of the necessaries, or comforts of life, which he could command, would be exactly equal; that he would everywhere receive exactly the sum of money which would purchase a given uniform quantity of provisions for the same number of hours' labour. Now not one of these consequences accord with the facts. The reverse will be found to exist in most cases, especially in this country. Wherever provisions are dearest the condition of the bulk of labourers is decidedly best, and their ability to command the necessaries, comforts, and even elegancies of life, form a striking contrast with the extreme difficulty with which even the barest necessaries are obtained where they are cheapest.

Compare the condition of the working population of London, Manchester, and the manufacturing districts, their ability to consume articles of comparative luxury, their expenditure, unfortunately sometimes of the most profuse character, and the comfort of their dwellings, with the mean style of diet, clothing, and habitations in most of the rural districts in England where provisions are so much cheaper—with the mud cottage, the tattered and patched dress, and the mean fare of the labourers in Ireland, where provisions are cheaper than anywhere else in this country.

Compare the general condition of the whole labourers of this country with that of any of the countries on the continent where provisions are at the lowest prices : compare their *diet, clothing, and habitations*, with what are allotted to the labouring classes in Prussia, Poland, or France, and see how superior the worst classes are in these respects in this country compared with the very best in these lands of supposed abundance and cheapness.

These considerations suggest to us a principle which appears better to reconcile these facts, and to be more applicable to the solution of the relative value of labour and provisions in most cases in the present state of society, viz. that the high price of provisions is rather the *effect* than the cause of high and well-paid labour ; and that low prices of provisions is, on the contrary, the effect of ill-paid labour, and the consequent inability to consume proportionably with the production.

Thus, for example, it can never be said that the price of labour is high in Manchester or the manufacturing districts, because provisions are dear. Labour does not there exist in order to consume the provisions, but the provisions are brought from great distances in order to supply the demand created by a given quantity of labour paid at a given rate. In proportion, therefore, to this rate must be the consumption, and, in proportion to the consumption, must be the distance from which the supply must be drawn, and consequently its price ; and as the produce of the land in the immediate vicinity is of equal value to that grown at the greatest distance of

supply, its price must increase exactly in proportion to the extended radius of country necessary to supply the neighbourhood; that is, it must be worth the general prime cost, and the cost of conveying the distant produce to the spot of consumption.* The price, therefore, paid for labour, and the quantity of it employed in particular spots, are evidently the cause and not the effect of the high prices paid for provisions.

So, on the contrary, the low price of provisions in Cumberland is not so much the cause of the low price of labour as its effect. The demand for the labour of that part of the country being much less, and its price much lower, the ability of the neighbourhood is not sufficient to consume the whole of its products, a considerable portion of which must, therefore, be sent to a great distance to be used, and the expense of which must be deducted from the price ultimately obtained, which diminished price of the portion removed to a great distance must fix the price of the portion consumed in the neighbourhood; and just in proportion to the distance and consequent expenses thus incurred to consume the surplus produce of the country, must the nett value of the produce on the spot, and of the land on which it is reared be reduced. If the quantity of labour or its price should be increased in the neighbourhood, then the surplus produce would diminish and be consumed in a narrower radius, at less expense, and the general price would advance; and, on the contrary, should the means to consume be diminished, the surplus would increase, and the general price diminish. This principle must apply in all

* See Note III, at the end.

countries where there is a mixture of manufacturing and agricultural labour and pursuits.

It becomes, therefore, quite clear that some other more important causes must exist to determine the different value of different kinds of labour, and of the labour of different countries; which, we believe, will be found to consist in the amount of skill, intelligence, and ability; in the assistance which physical exertions have received from mechanical discoveries, and in the proportion of supply and demand, as existing in different places or in different countries.

For the same reason that the skill and intelligence of the physician or lawyer, and the capital or labour invested* in his acquirements, entitle him to a high reward for his labour, the English mechanic is entitled to a higher reward than the labourer elsewhere: for the reason, that by the ingenuity of this country his physical ability to produce for other countries at very low prices is increased by the aid of the most perfect mechanical assistance, his labour becomes more valuable; for the reason, that the country in which he lives possesses unbounded capital, enterprise, and mercantile resources of every description, which necessarily create a greater demand for manufacturing and mechanical labour than is to be found in any other country; the value thereof must be higher here than elsewhere.

As is the case with the physician and lawyer, the English manufacturing labour generally, of which we now speak, is of a higher quality than the common labour of

this country, or the labour of any other country, and, as such, commands a higher price, just in the same way that the fine white wheat of Essex commands a higher price than the miserably shrivelled grain imported from the Black Sea. As with the learned professions, the remuneration is not only for the bare labour of the moment, but for a large amount of accumulated labour and ingenuity previously spent in acquiring the skill and intelligence necessary for its exercise.

The price of this labour is one of the distinct modes in which a nation becomes benefited by ingenious mechanical discoveries, which tend so much to abridge the total quantity of labour necessary to produce a given article, and renders the portion still employed of much greater value, by the increased demand and consumption which the entire lower price secures to the article.

The price of this labour is one of the distinct modes by which a nation becomes benefited by the possession of a large capital, industry, and mercantile enterprise, which seek for profitable employment, by the exchange of the skill and ingenuity of this country for the simpler products of distant and different climates.

Such is the value and quality of English labour of this class, that ~~there~~ is no country in the world, not even the cheapest corn-growing countries of the continent, in which it does not command a higher price than in this country, notwithstanding the low general rate of labour. An English mechanic will command very much

higher wages in Petersburg, Berlin, Brussels, or Paris, than he usually obtains here.

From all these considerations we are induced to consider, that there is no better evidence of a prosperous community or country than the existence of a high average price of provisions, when the condition of the labourer, as is the case in this country, is relatively better than in other countries ; and that, on the contrary, there is no stronger evidence of a miserable and impoverished country than the existence of low prices of provisions, where the condition of the labourer is comparatively and infinitely worse than in other countries where prices are higher.

We are therefore of opinion, that in the event of a free trade in corn, the price of labour in this country would be rather increased than diminished, by the operation of the distinct benefits which to the whole community would result from such principles.

We will now glance at the two proposed ways in which the manufacturing and mercantile interest would be benefited by such a policy.

First,—That which would result from a uniformity of the prices of provisions, as particularly affecting the labouring classes. In the first proposition we alluded to the evils which afflict this class in consequence of the present fluctuation of prices, which would be entirely removed by an equality of price. We cannot hold out any prospect that, on the average, he would have his pro-

visions cheaper, but that, instead of being lavishly supplied at one period, which leads to habits of luxury and indulgence, and the more unfit him for the period of comparative scarcity and want, his condition would be nearly uniform.

We have already shown that his wages are determined by principles which do not necessarily fluctuate with provisions, and it is therefore most desirable to him, that as his wages are comparatively uniform, the amount of the comforts and necessities of life which they can procure should also be uniform. It is a cruel policy which introduces a working population into the temporary possession of comforts and luxuries far beyond what their average condition will enable them to support, and which, by a reaction, reduces their means before long as much below what that average should be as it had before been above it. Great complaints at present prevail, that the present high price of provisions is more severely felt in many places where, previous to the *low* prices and lavish consumption of 1834, 1835, and 1836, a very inferior scale of food and general comforts prevailed, than became common in those years: but sweets once tasted, advantages once enjoyed, are not easily relinquished. In many districts, where oat meal or barley meal formed a wholesome and considerable portion of diet before those years, wheat-flour was substituted, as being at the moment from unnatural causes as cheap. In such cases, the necessary return to inferior diet, and even to a more limited quantity of it than on the average they are entitled to, cannot but be considered a great evil and hardship.

But these fluctuations are apt to exercise another influence, in which the labouring classes, in common with their employers, are deeply interested. The supply of the first necessities of life in this country has become a matter of such huge extent, that any little derangement therein becomes a question of much more serious extent than is generally imagined, in its indirect influences on commerce, by deranging the currency of this country, and the courses of exchange with others. As before stated, there have been, and of very late years, times when the whole amount of bullion in the Bank of England would not have purchased the wheat required this year to make up the deficiency, which is estimated at only *one-sixth* of the annual consumption.

To examine these influences minutely would require more time and space than we can here afford, but this one fact may lead to a consideration of the extent to which they may be indirectly felt.

The manufacturing and mercantile interests are, however, more directly interested by the second mode in which we propose to consider their distinct benefits, viz. — In the general advantages which would result from an improvement so great, in the condition and interests of so large and important a portion of their consumers, as the landed interests constitute.

If we have shown that the landed interests suffer, by the present state of the law, great and fearful losses in our first proposition, and if in our second proposition we have shown sufficient to prove that a free trade in corn would avoid these losses, and not

submit them to any other ; — then have we shown that the whole wealth of the country, both in income and capital, would be much increased ; that immense sums which are at present expended in unprofitable labour would become applicable to general and useful consumption ; that large amounts of capital which lie dormant until wasted and decayed, would be available for the employment of useful and beneficial production.

The connexion between the manufacturer and the landed interest in this country is much closer than is generally admitted or believed ; not only is the manufacturer dependent on the landed interest for the large portion of his goods which they immediately consume, but also for a very large portion of what he exports to the most distant countries. All commerce is, either directly or indirectly, a simple exchange of the surplus products of one country for those of another. It is therefore a first essential that we should be able to take the cotton of America, the sugar and coffee of India, the silk and teas of China, before they can take our manufactures ; and if this be necessary, then must it follow that in proportion to the extent to which we can take their produce, will they be enabled to take our manufactures. Therefore whatever portion of these products is consumed in this country by the landed interest, must to that extent enable the manufacturer to export his goods in return ; and thus any causes which increase this ability on the part of the landed interest to consume, must give a corresponding additional ability to the manufacturer to export. Every pound of coffee or sugar, every ounce of tea, every article of luxury, the produce of foreign climes, whether consumed within the castles and

halls of our wealthiest landowners, or in the humble cottages of our lowliest peasantry, alike represent some portion of the exports of this country.

On the other hand the dependence of the landowner is no less twofold on the manufacturer and merchant. He is not only dependent upon them for their own immediate consumption, but also for the consumption of whatever food enters into the cost price of their goods. Although the English farmer does not export his corn or his other produce in the exact shape and form in which he produces them, they constitute not the less on that account a distinct portion of the exports of this country, and that in the best of all possible forms.

Just as much as the manufacturer exports the wool or the silk which enters into the fabrics of those materials, does he export the corn which paid for the labour of spinning and weaving them. It would be an utter impossibility that this country could consume its agricultural produce but for our extensive manufacturing population; or that the value of what would be consumed could be near its present rate. If without this aid our agricultural produce were as great as it now is, a large portion would have to seek a market in distant countries: it would then have to be exported in the exact form in which it is produced; the expenses of which being so large would reduce very greatly from its value and nett price, and the landed interest would be immediately effected thereby. But, as it is, the produce of the land is exported in the condensed form of manufactured goods, at a comparatively trifling ex-

pense, which secures a high value to it here. Thus, for example, a few bales of silk or woollen goods may contain as much wheat in their value as would freight a whole ship.

To this advantage the landed interest is indebted, exclusively, for the very superior value of property and produce in this country to any other; because, by our great manufacturing superiority, a market is found for our produce over the whole world, conveyed in the cheapest and most condensed form.

While the Chinese, or Indians, buy our cottons, our silks, or our woollens, they buy a portion of the grain and other produce of the land of this country; and therefore the producer here, while indulging in the delicacies or luxuries of oriental climes, may only be consuming a portion of the golden heads of wheat which had gracefully waved in his own fields at a former day.

Is ~~not~~ not, therefore, sufficiently clear that no circumstance whatever can either improve or injure one of these interests without immediately in the same way affecting the other? The connexion is so close that it is impossible to separate or distinguish them. Any circumstance which limits our commerce must limit our market for agricultural produce; and any possible circumstance which deteriorates the condition of our agriculturists must deteriorate our commerce, by limiting our imports, and consequently our exports. These are general principles, and are capable of extension to the whole world,

in all places, and at all times ; and the same principle as is thus shown to connect and combine the different interests of any one country, just as certainly operates in producing a similar effect between different countries ; and we ardently hope, ere long, to find not only the petty jealousies between different portions of the same community entirely removed, but that all countries will learn, that a free and unrestricted co-operation with each other in matters of commerce can only tend to the general benefit and welfare of all.

PROPOSITION THE FOURTH.

PART FIRST.

A consideration of what change in the present laws would best suit the interest of all parties at this particular time.

EVERY change of an extensive or important character, however beneficial it may be in its ultimate operation, is apt to be attended with considerable inconvenience and partial evil in its first consequences, and it is therefore an incumbent duty on the part of governments to introduce any change with the greatest care and circumspection; and in this particular case this precaution is more than usually needed, to avoid the evil consequences which might arise from the deeply-rooted prejudices and ignorance so common with respect to the subject.

We have already sufficiently noticed all the different fluctuations in the extent of our cultivation and supply; and it will easily be seen, that although the same one ultimate principle can alone be a cure to the whole evil, yet that the particular mode in which it should be resorted to may fairly differ, according to the particular period in these fluctuations selected for the change.

The great object which is to be accomplished is to get wheat fixed at the fair average price at which it can be

produced ; and in endeavouring to do this we must bear in mind, that though we may be correct in every deduction throughout these pages, yet that the generally prevailing prejudices, both in this country and on the continent, will not fail to have a considerable influence in the first instance. Thus, in the event of an immediate free trade in corn, the deeply-rooted prejudices of the cultivators in this country would not fail to discourage and limit their efforts of cultivation, until experience had sufficiently proved the real effects of this change ; and, in like manner, the same cause would no doubt influence the growers on the continent to exceed the bounds of prudence in their efforts to avail themselves of this privilege, which when they have ever possessed it of late has been only when prices have been unusually high, and which has led them to form a very exaggerated notion of the profit they could derive from a constant trade with us. As, however, we have already shown that the whole quantity which the continent could supply is, when compared with our home production, so absolutely insignificant, we will look at these influences chiefly in reference to the latter.

In looking at the fluctuations which have occurred it must be clear that there have been times when it would have been useful to all that cultivation had been checked, and other times when it would have been as useful that it had been encouraged. If in 1832, 1833, or 1834, when cultivation was extending to an unprofitable degree, any change in the law had been proposed, then it might safely have been introduced in such a way as would have tended immediately to check cultivation and supplies ; because

such an effect at that time would have prevented the surplus being so great, and have maintained the price nearer the proper average. But if such a change had been proposed in 1837, 1838, or at the present time, then we think that it should be introduced in such a way as to avoid checking an increase of cultivation, when such is actually required to bring the supply and price to the proper average.

Considering the first influence of such a change on the fears of the home cultivators, we should have expected that if, at the former period, a free and unrestricted trade had been instantly introduced, the effect would have been a general curtailment of cultivation, which at the time would have been beneficial : and at that time prices being moderate, the cultivator on the continent would not have had such a great inducement to enter into a competition which might afterwards prove ruinous to him ; and therefore, at that period of the fluctuation, the best mode of introducing the change would have been in an instantaneous manner.

In like regard to the first influence of such a change, we should expect that at this moment a similar effect would be exerted over the home cultivator, which we are of opinion would operate very badly for all parties to the question.

Our stocks are exhausted, and even with a cultivation equivalent to our annual consumption, it would be a long time before prices assumed their fair average rate. It could not be until such a convenient stock existed as en-

abled the trade to be carried on easily without pressing too much on the supply.

If, therefore, our home production were checked at this moment, the tendency would be to keep a very badly supplied market for a long time, and consequently high prices, and it would be much longer before the price and supply arrived at the proper average.

This could not fail to be injurious to all parties. To the cultivator, who, though he received a higher price, would only do so on an inferior cultivation. To the general community, by being obliged to pay much higher prices than the fair average at which production can be profitably conducted; and from the longer maintenance of high prices which would ultimately give way, the continental growers would be induced to embark in a competition with our home-growers to an extent which would ultimately prove very injurious to them, as well as to our farmers for a time. In this case it would be much longer before that desirable equality of price was arrived at, which should secure a regular and just sufficient cultivation.

It may, however, be said, that though an immediate repeal of the present restrictions tended to curtail the home growth, it would tend to give additional stimulus to foreign supplies, and that thus the desirable point would be only in another way arrived at. Such an effect would not only fail to accomplish the object, but even though it did, would do it in a manner which would ultimately be prejudicial to all concerned. It would fail to accomplish the object, because no increase which could

take place on the continent, with its extremely limited means, could for many years be equivalent even to an inconsiderable curtailment of the huge production of this extraordinary country; but even if it should prove equivalent, it would be injurious to our growers in the first instance, by inducing them to throw the lands out of cultivation when they could have been profitably retained, and to the continental grower by giving a momentary and unnatural impulse to his productive powers, which could not be maintained when our own level of cultivation was again restored.

It therefore appears clear, that while such an exaggerated inducement to extend cultivation in this country as was given by the Corn Law of 1815 or 1828, could not fail to produce the same baneful effects that they did at those times; yet that this is not the moment to induce a curtailment of cultivation—on the contrary, rather a gentle impulse to extension. The high prices of the past and present year have partly had that influence already, but it should not be suddenly stopped.

Under these considerations, although we are most decidedly of opinion, and if our arguments have proved anything, it has been, that the evils resulting from the present Corn Laws can only be altogether removed by a total and entire repeal of all protective and prohibitory laws; yet for the reasons that we have stated, we think it for the interest of all, the producer and consumer alike, that this should not be, under present circumstances, an instantaneous measure. We should suggest that a specific duty of 10s. per quarter should be

fixed on wheat in the first place, and that it should be reduced 1s. in each year for the first five years; and that it should remain fixed at 5s. for three years longer, and then be finally and for ever abolished.

We believe that by such a measure the prices of grain would not only more easily find their proper and natural level, but that they would be actually considerably lower during the next few years than if the present protective system were instantaneously abolished: for in the latter case the fears of the growers could not fail to abridge their efforts to produce in the first instance; and as we have before stated, we have no confidence whatever in the ability of the continent to supply the deficiency of even a very insignificant reduction of the cultivation of this country. The experience of the present year proves how well founded is our want of confidence on this point; we have felt with what difficulty the deficiency of the last year (estimated at only one-sixth) has been made up, not from the surplus of *one* year, but from the accumulated surplus of many years; and not from the moderate range of country which ordinary prices would permit wheat to be brought, but from the very extended range, which a long continuance of extreme high prices has induced to contribute to our supply. The whole that was accumulated in bond here, and the whole of our new imports, have scarcely had a perceptible effect on prices, though all admitted to consumption. Does this not sufficiently prove how perfectly insignificant any competition could ever be between the continental and the home-grower?

PART SECOND.

An examination of the benefit which would be derived by the establishment of a government institution for the purpose of collecting and furnishing periodically to the agricultural interests all the statistical facts connected with their pursuits.

Although we have sufficiently proved, that the great and leading cause of the extraordinary and unnatural fluctuations in the price of wheat is to be attributed to the necessary operation of protective laws, yet there can be no doubt that fluctuations to a small extent, comparatively, would ever continue to be experienced, as long as the landed interest remains in its present state of ignorance and uncertainty from time to time as to the real extent of cultivation which is going forward, of the comparative result of different harvests, or of the stocks remaining on hand from time to time.

The interests of the agricultural community in particular, and the public in general, have been injured in an incalculable degree from the absence of this important knowledge; which, had it been accurately possessed, would in some degree have modified the evils which have attended, and must ever attend the present principle of protective laws.

The statistical information acquired and collected chiefly from the custom-house regulations of different countries, affords to the merchant in all his transactions a guide and a beacon, without which the future would ever remain enveloped in mist and obscurity. They

teach him the average amount of supply, or the supply in any given time; they teach him the rate of consumption; they teach him what amount of stock is needful for the safe and easy supply of the demand. By them he can see when the supply is increasing or diminishing as compared with the past; by them he can determine the exact progress of consumption; by them he is informed from day to day whether the whole stock is increasing or diminishing.

The information which he is thus acquiring afresh every day as the facts arise, enables him not only to fix the prices of his merchandise at the time, in some degree in relation to the movement the article may be making either towards a lower or higher value, and thus to anticipate alike a period of abundance or scarcity, (by which anticipation the more serious effects of either the one or the other are materially prevented,) but, besides this, he is enabled to direct his future transactions.

The merchant who is trading to distant parts of the earth must be able to look forward a long way in advance, in order to direct with success operations which can only be developed at a remote period. The distance and time occupied in such transactions render this imperative. It is only by a great amount of statistical information carefully collected from day to day, by narrowly watching the progress of supply and demand, and by general observation of the circumstances passing around him which are likely to influence the future, that he can approximate to a correct estimate of the future, for his guidance.

A knowledge of the future is so essential to the success of the merchant, every act of his life being less or more one of anticipation, that the extraordinary alacrity and ardour with which information is sought after is easily understood, as well as the deep interest felt in rapid modes of communication from distant places. The extensive engines which are put in operation,—the pains which are taken to possess early and good information, and the consequent knowledge of the most trivial circumstances passing in the most remote corners of the globe, are truly interesting and astonishing.

However necessary such knowledge may be for the merchant, we are of opinion that it is not more so to him than to the agriculturist. The result of his operations are in like manner all dependent on a future time. The routine of his cultivation may require one, two, or three years to complete it. There is not one reason which can be supposed to interest the merchant in the future, that does not equally or even more affect the agriculturist; but the degree of advance and perfection to which the former has arrived in this respect, is not nearly so astonishing as the entire neglect and absence of such advantages which exist with the interests of the latter. The surprise at this entire neglect is much increased by the fact, that the whole of the elements of information are so near at hand, and, as compared with any other pursuit, of such immense importance.

It appears extraordinary that, with all the institutions with which this country abounds, both public and private, no attempt has ever been made to accomplish this

object. When we consider the practical inconvenience which has ever been acknowledged to arise from the imperfect and vague conjectures (for we have never advanced beyond this) as to the extent of cultivation of the different articles of agricultural produce needed to supply the average demand;—how far this has from year to year existed;—what the actual average consumption has been, and what progress the existing stocks have been making towards a glut or a scarcity;—when we consider that the absence of all perfect knowledge of these heads has alike bewildered the legislature, the cultivator, and the dealer, it is a matter of great surprise that no attempt has been made to remove so great an amount of ignorance.

An attention to this subject is absolutely needful to conduct the pursuits of agriculture to a state of perfection, both for the interest of those immediately concerned and the public,—to secure a more perfect equilibrium of supply and demand, and to protect the public against the evil of partially varying crops, which will, to a certain extent, exist in the most perfect and equal state of cultivation.

Let us examine what would be the effects of such knowledge. Suppose there were means of ascertaining exactly how many acres of wheat and different other grain were in cultivation in each year; at the end of each year what the yield per acre had been; on the 1st of each month what stocks remained in granary, and what stocks remained in the stack yard: all those interested in these matters would watch, as narrowly as does the merchant, these beacons of his future course.

It would be ascertained sufficiently near for all use.

ful purposes, how many acres were required to be cultivated with each kind of grain, to furnish our average consumption, which would also soon be clearly determined. The farmer would be governed by the facts thus disclosed to him, of the progress the whole nation was making, and any very important deviation from the correct relative proportions would be thus obviated in good time. It would soon be ascertained, by comparing year after year, what amount of stock should appear on the first of each different month to supply the consumption of the remainder of the year, and, in proportion as any deviation appeared between the corresponding periods of one year and another, influences would immediately be produced on prices as the case might be, and by anticipation, avoid such extreme effects, either of a superabundance or scarcity, as must occur, if the public remain in ignorance until the crisis comes unexpectedly upon them. These monthly and periodical statements would be consulted with as much interest and profit by the farmer, the corn-merchant, and the miller, as the periodical publications of the stocks, arrivals, and deliveries of all articles of foreign produce, are by those interested in them, and could not fail to direct these extensive interests in a way most convenient and profitable to themselves and the public, by producing and maintaining the greatest possible equality of prices. If the stocks showed a diminution, then dealers would anticipate their wants by speculative purchases: prices would be a little advanced by this action on the market; a wholesome stimulant would be given to supply from a greater distance, and to a more careful consumption. If, on the contrary, the stocks showed a material increase, prices would decline a little; a check would be given to supplies from such a

distance as would be unprofitable, a little increased stimulus would be given to consumption, and, in both instances, the fluctuations would be limited to a much narrower compass, than could be the case without such timely warning.

At first sight it may appear to many a matter of some difficulty to arrive at such information, with any degree of accuracy that could be relied upon. Nothing, however, would be more easy to accomplish, at least with sufficient accuracy for all practical purposes.

Many of the continental countries, but particularly Prussia, Holland, and Belgium, have set us an example in the care with which they furnish information to their respective countries, on all matters connected with the progress of their internal interests, and amongst others on agriculture; the beneficial influence of which is much acknowledged by the different interests in these countries, where, instead of groping in the dark, as every man does who is engaged in any of the internal productive resources of this country, whether it be in raising wheat, iron, lead, or coals, the producer has always before his eyes an exact statement of the progress of production and consumption to regulate his acts.

When we consider with what a degree of accuracy the productions, from year to year, of our most distant colonies are estimated, not only before shipment, but even while growing—productions extending over immense and half-civilized countries, many of them difficult of access—throughout our Indian territory—along the banks of the Ganges, stretching through the vales of Dacca and

Jessore—in the far-west dominions of the King of Oude, in the hills and valleys of Tirhoot, or the wide plains of Kishnagur—we ought to find no difficulty in arriving with much greater accuracy at every possible information, relating to the cultivation and production of fields comparatively around our own dwellings.

When we consider with what accuracy the Government can collect all the statistical information required to protect the revenue, how well defined is the extent of cultivation of hops, for that reason, it must at once be clear that it only requires to be considered of sufficient national importance, to enable us to collect, and publish accurate statistical periodical statements on the whole of the leading branches of internal industry.

Any one who has watched for some years the progress of those interests cannot but have remarked how subject they have been to extreme changes—to depression and the reverse; particularly the great leading articles of iron, lead, and coal, which would, no doubt, have been greatly alleviated by a better knowledge of the true relation of supply and demand at particular periods.

With respect to agriculture alone, we conceive that the country would be so greatly benefited, that no portion of the public expenditure would be more usefully applied than what would be spent to procure this information.

We would propose, to effect this great object, some plan similar to the following:—

That a Board of Internal Industry should be esta-

blished, which should procure and publish periodically all information interesting to these objects. For example, with respect to agriculture: at the most convenient periods in each year, returns of the exact quantity of land sown with wheat, with the different spring grain crops, and green crops; of the yield of different kinds of grain in the preceding year; of the quantity of sheep slaughtered and shorn (to arrive at the product of wool); of the stocks of grain of all kinds in granary and stack, at fixed periods; and any other information, which, on proper consideration, might appear desirable, respecting these objects of overwhelming importance. Many regulations would be necessary to carry such a plan into operation, but it is believed they would neither be very expensive nor troublesome to the parties interested, who would soon find their benefit so great in their existence, that what attention was needed would be cheerfully given to secure accurate returns.

A difficulty with regard to ascertaining the existing stocks has been suggested; if however all grain was required to be warehoused in licensed granaries, which licence should be granted to every applicant at a mere nominal charge, and such granaries all registered, and obliged to make periodical returns of their stocks; and uniform sizes fixed for stacks, the number of which could easily be returned, very little difficulty would arise in gaining such approximate estimates of the actual stocks as would answer every useful purpose;—and even though, from any possible reason, some parties might wilfully or carelessly make erroneous returns, yet on the whole country these differences would so nearly be the same in differ-

ent years, and perhaps on the whole bulk would so nearly balance each other, that no practical inconvenience could arise from them;—in a very little time experience would teach those interested in the different objects to make an exact allowance for such necessary deviations from exact accuracy.

We believe that such an institution would confer an incalculable advantage on this country, the internal resources and productive industry of which so far exceed those of any other country on the globe, and that its operation and effects would be watched by all with more intense interest than perhaps any institution which at present exists in these kingdoms.*

* See Note IV.

NOTE I.

THE impression that the changes in the price of grain have arisen from the characters of the seasons is almost universal; and it has often been noticed as a curious circumstance, that a number of good seasons and bad seasons followed in succession.* It is impossible to reconcile our mind to a belief that the seasons move in these uniform cycles; but we think the circumstance capable of the most satisfactory solution by the fluctuations of cultivation. We find, for example, that 1820-21-22-23 were extremely productive seasons: by the principle we have laid down, the influence which the high prices of 1817 and 1818 had, in stimulating production in every way, ought to have produced this effect. Then the years 1827-28-29 were remarked as very unproductive years: the reaction of the previous period of abundance and low prices was in these years experienced in its strongest effects. Again, 1832-33-34 were noticed as being most prolific and abundant seasons: here we once more find the result of stimulated cultivation in producing extensive crops. The reaction which followed the low prices again brings us to the comparatively short crops of the three last years. It will be therefore observable that the cycles of productive and unproductive seasons correspond exactly with the necessary influences of the fluctuations pointed out in cultivation. How far the increased or curtailed, the

* The history of the last half-century shows that several productive and unproductive seasons have generally followed in succession.—*J. and G. Sturge's Report for January, 1839.*

high or low state of cultivation, may influence the character of the season, as far as the weather is concerned, it is difficult to say ; but as it is an admitted and ascertained fact, that the general state of the cultivation of a country has a material influence on the climate and weather, it is not impossible that even slight fluctuations, such as we have pointed out, may have some influence. At all events there is one thing certain,—that in years of high and rich cultivation the crops are stronger and generally earlier, and much better able to resist or throw off the influence of bad weather ; and that, in years of weak and impoverished cultivation, the crops must be more easily influenced by adverse weather.

The evidence given before the Committee of the House of Commons on agriculture in 1836 sufficiently explains the true cause of the enormously increased supplies of the four preceding years which had so depressing an effect on prices. We strongly recommend a perusal of this evidence.

NOTE II.

THE great bulk of the wheat shipped from Odessa is not the produce of Russia, but of Poland. It is through this port chiefly that the Mediterranean islands and ports are supplied with wheat. A regular and extensive trade is carried on between *Odessa* and Malta, Leghorn, Trieste, Marscilles, and other places, in this article; and in usual years, at usual prices, it requires the whole quantity which finds its way to Odessa to supply these places, chiefly or entirely dependent thereon.

Although considerable shipments have been made this season from Leghorn, Trieste, &c., to this country, it by no means follows that they can spare from their own consumption the quantities thus shipped. Being so much nearer to this country than Odessa, they have shipped their own natural supplies to reach this country while yet the duty is low and the prices high, relying upon the stocks behind them at Odessa to replace the same.

The shipments from Odessa up to the 5th of January from last harvest had only reached 62,857 quarters of wheat, and there then remained in stock about 500,000 chetwarts, or 365,000 quarters, to supply the whole consumption and exhausted stocks of the Mediterranean.

NOTE III

THE claim which property has, and must ever continue to have (as long as this country maintains its present condition of prosperity), to a higher value in this country than in the Continental countries, results chiefly from the same reason that property in the neighbourhood of London, Manchester, &c., has a much higher value than in Cumberland, or throughout the rural districts of Ireland.

We have already considered sufficiently the cause of the difference of the price of provisions and land in the latter relative circumstances, and we do not find that the freest and most unrestricted intercourse has had any tendency to lessen this difference. From what we have already said it is obvious that local situation, in the precincts of populations differing in their ability to consume the produce of the land, by which, in the one case, food has to be brought from a greater distance, and consequently at an enhanced price, and, in the other case, the surplus produce has to find a market at a great distance, and therefore subject to considerable deductions for charges, may be called the natural causes of this difference.

In the one case, if the prosperity, and consequent ability to consume, should diminish, the value of property and food must fall. In the other case, if the means of consumption should increase, their value must rise.

It would also appear as a law, that as greater and cheaper facilities were afforded of conveying the surplus produce from

the one point to the other, a higher price in the place of production, and a lower one in the place of consumption, would be the result. But this has not altogether proved to be the case. Of late years the facilities of steam-navigation have enabled the producers in Ireland, Cumberland, and elsewhere, to send the fruits of their industry at cheaper and easier rates to Liverpool, Manchester, &c.; but, while we find that in the former places these facilities have tended to improve the value of property and general condition of the producer, yet they have in no way tended to reduce the value of property or the condition of the producer in the neighbourhoods of the latter places:

Without these additional supplies the consuming ability of the large towns would have been abridged to a smaller quantity of food; but with such additional supplies of such articles as can be best brought from a distance, at a cheaper rate, a larger ability to consume other articles which are not so easily transported is obtained by the community, in the production of which the immediate producers find an occupation as profitable as before; and thus the whole community of producers and consumers is equally benefited.

In such relative position may we fairly consider the Continental countries generally and this country in their present respective conditions. The value of property is higher here than on the Continent, for the same cause that it is higher round Manchester than in Ireland.

The distance between those countries and Great Britain will be found to be sufficient ever to maintain, as far as we are concerned, the whole difference which at present exists; or, if this difference should ever be altered, it will be by a diminishing prosperity and ability to consume in this country, or

by an increasing ability on the part of the Continent to consume their own products. To avoid the former cause we cannot give too free and full an encouragement to our manufacturers; and as to the latter cause, if it did not arise from our own decline, we could not too much rejoice at its existence.

There is no more reason why the consumer in Great Britain should not be benefited by the producer of the Continent, without injury to our own property, than that the consumers in Liverpool and Manchester should be benefited by the producers in Ireland and Cumberland, as has been shown, without lowering the value of the immediate neighbourhood.

NOTE IV.

It was intended to have followed up these observations by an inquiry into the competition, of which we have heard so much of late, which has manifested itself on the Continent, with the manufacturing pursuits of this country; a consideration of the causes by which it had been produced; and an investigation of the influences which are likely thereby to be exerted on these interests in this country, as having been generally associated with the subject of these pages.

It has however been found, that to do justice to this most important and interesting inquiry, much more time would be required to collect the necessary facts in proper form to prove the reasoning than was at first anticipated, and therefore, for the present at least, this intention has been necessarily postponed, though not entirely abandoned.

A P P E N D I X.

THE following two objections having been raised to the views and principles contained in this work :—first, that the extreme low price at which continental wheat has sometimes been sold in this market appears incompatible with the estimate given of the charges necessarily incurred in importing it ; and, secondly, that, from the admitted and well-ascertained fact, that the prices of wheat have fluctuated even more in the Continental countries where there are no corn-laws, and on the Continent generally, than in England, the fluctuations here cannot be attributed to the existing corn-laws ;—the following observations, contained in a letter from the author, in reply to these objections, will sufficiently reconcile these facts to his general principles, and prove them to be part of the necessary consequences resulting from the present laws :—

“ It is a matter of great satisfaction for me that these points are capable, in my views, of being made very clear, and of advancing the general tendency of my arguments, instead of in any way interfering with them.

“ With respect to the objection, that the charges attendant on the import of grain from the Continent to this country, being put very high, the same objection has frequently been urged to me even by men engaged in that trade, but when I requested them to point out in what respect, they have always failed to discover one point of exaggeration when fairly looked

into ; but many are misled at the first sight at the rates I give, by their not sufficiently attending to the numerous and various items which are introduced into the sum, but which are nevertheless quite indispensable to the operation. Of the 18s. 3d. given as the total of these charges, only 6s. is put down as freight, but all the other charges are not less necessary to complete the importation.

“The fact to which you refer, of wheat having been delivered in London at 23s. per quarter, in no way interferes with the above calculations, if, as I believe must have been the case, the wheat alluded to was already in London, and not imported purposely to sell at that price. Although as a general principle the cost of an article must regulate its selling price, yet the exceptions are very numerous in mercantile experience in which the cost has no influence whatever over the price : and the present is one of these cases, the causes of which are easily explained.

“In the years 1829, 1830, and 1831, extensive importations of wheat took place, a large portion of which, owing to the high prices of those years, was cleared for consumption ; but towards the end of 1831 the average prices in this country fell very much, and the duty increased so much that it was no longer possible to introduce the shipments then arriving, and to arrive, for the consumption of this country ; the consequence was, that in 1832 a very large quantity of wheat, little less than *two* millions of quarters, existed in our bonded warehouses, while our average prices were regularly falling for three or four years after that period, and the rates of duty consequently so high, that in some of these years the duty alone was greater than the market-price of the wheat : much of this wheat, therefore, which had cost the importer 50s. or 60s. per quarter, laid down in London, became actually worth less than nothing as

far as its application for English consumption was concerned ; for not only was it chargeable with heavy granary-rent, &c., but the duty which must have been paid on its being introduced into consumption was greater by far than the price which could have been obtained for it duty paid. Thus the average price of wheat in Great Britain, in 1835, was 39*s.* 4*d.*, at which, according to the present laws, the duty is 47*s.* 8*d.*

“ At this time much wheat was sold to pay the charges of rent, &c., incurred upon it, and many, wearied of holding any longer with so little prospect of relief, were desirous of getting quit of so ruinous a bargain ; but it is quite clear, if they got anything for it at all, it could not be given in reference to British consumption, the duty being then higher than the whole price if cleared from bond. There could, at this time, be only two motives in buying such wheat :—first, as a speculation, to hold it an indefinite number of years, till a chance occurred of getting it into consumption at a low duty, which being very remote and doubtful would only be purchased at a *very* low price ; or, secondly, for exportation to other countries requiring supplies, such as the West India islands, the Brazils, &c. If a merchant required a cargo of wheat for the latter purpose, it can be easily understood that he would first inquire in what market he could most profitably purchase it, as it would be a matter of indifference to him whether he shipped it from Dantzic or London.

“ In the year 1835 the average price in Dantzic was 23*s.* per quarter, and in Sweden and Denmark, where the quality is worse, it was even below that price. It is therefore evident that no man would give above that price for the same article in London, when it would answer his object as well to buy it in Dantzic. I find, therefore, on inquiry and reference, that 23*s.* per quarter was a common price in 1835 for fine wheat in

bond : and we can easily conceive that the holders here, whether compelled to sell by their circumstances, or willing to get rid of such a losing affair, would be glad to accept that price *in bond* when, for the purpose of introducing it for consumption, it was worth less than nothing. Yet this wheat had cost, when landed in 1831 or 1832, 50*s.* to 60*s.* per quarter, besides all the charges from that time, which would, in many instances, be more than the price obtained. I am told by many keepers of granaries that they have frequently sold grain, the price of which has not paid their charges. You will therefore see that the effect of the corn-laws renders the price of wheat in bond quite independent of its cost. I may just add that a large portion of the wheat which was cleared for consumption in the autumn of last year had remained in the warehouses since 1831 and 1832, and that, if even double the high price of the time had been obtained, it would not have paid the original importers a profit. These circumstances constitute the corn-trade into the character of the most desperate gambling.

“ With respect to the other objection to which you allude, viz., that, while I attribute the great fluctuations of prices in this country to the effects of our corn-laws, yet in many Continental countries, where there are no corn-laws, the fluctuations are as great, I believe will be most satisfactorily explained by the necessary influence which our laws exert over the whole of Europe. I admit, indeed, as a necessary consequence, that the fluctuations on the Continent must be much greater than even here. Thus, for example, in 1834, 1835, and the beginning of 1836, the prices of wheat were so low in this country as to hold out no hope, for many years, of any foreign supplies being admitted. The prices on the Continent were, therefore, only established in relation to their own consumption, with a larger supply than they naturally required, the production having been artificially stimulated by the demand for England

two or three years before. In the end of 1836 some suspicion existed that, owing to the bad weather during harvest, we should require a foreign supply. This feeling caused a much greater advance in foreign wheat than British. If the market-price of British wheat rises 1*s.* per quarter, the price of foreign, with such a prospect, will rise 2*s.*; for, while the intrinsic value of the article rises 1*s.*, the duty for its admission falls 1*s.*, and makes the latter 2*s.* more valuable. Thus, if English wheat in London were worth 60*s.* per quarter, and foreign wheat at 40*s.*, at which the duty would be 26*s.* 8*d.*, if the former rises 1*s.*, to 61*s.* per quarter, at which the duty would be only 25*s.* 8*d.*, there is then on the foreign 1*s.* advance in intrinsic value, and, being then subject to 1*s.* less duty, would be equal to 42*s.* of a market value.



“As the price of foreign wheat advances in our market, orders are sent to the Continent to buy at comparatively high prices: it is therefore clear that, while we advance here, the prices on the Continent must be advancing at a double rate compared with British wheat, if it is expected that wheat will come in duty free. In the spring of 1837 it was discovered that, instead of any deficiency, the harvest of 1836 was the largest ever known: the prices of English wheat receded; but, for every 1*s.* it fell back, the price of foreign here, and consequently abroad, fell back much more.

“The average price of wheat in this country is about 52*s.* per quarter; during the last year it has been about 70*s.* to 72*s.*—say 40 per cent. above the average. The average price in many parts of the Continent is 30*s.* per quarter, where this year, owing to the high prices here, by which it is not only admitted free of duty, but also at the very time our prices are at the extreme point, the average prices have been about 50*s.* to 60*s.*—nearly 100 per cent higher.

" Our duties being high, when our prices are low, excludes the Continent from our market at that time, and depresses them to a most unnatural extent. But our duties being only nominal, when our prices are double the lowest point, gives them a full participation of these high rates. Thus when wheat is 39s. the duty 47s. 8d., and freight, &c., about 18s., no operation takes place with foreign wheat at all. The English price rises to 72s.; the duty is 1s., freight, &c., 18s. or 19s.: if, therefore, wheat can be bought at 53s. per quarter on the Continent, it will then pay to import; whereas, if it had been got as a gift two years before, it would have been a serious loss, if introduced into English consumption. It is, therefore, evident that our own laws render the prices more fluctuating on the Continent than even here.

" It is not surprising, after considering these reasons, that the high prices of the present year are producing a much more baneful and serious effect on the general interests on the Continent than even in this country.

" Here the price of bread is 40 per cent. higher than our average; there, 80 to 100 per cent. higher: the calls, therefore, on the means of the Continental population to provide food, are found to be abridging their ability to consume manufactured goods and colonial produce at the present time even more than here; their trade is, therefore, languishing as much or more than ours from this cause. Hence the disturbances and distress in France, in Ghent, and many other places."

THE END.

